

west virginia department of environmental protection

Oil and Gas Conservation Commission 601 57th Street, SE Charleston, WV 25304 (304)926-0499, Ext 1656 Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL DRILLING, LLC FOR EXCEPTION LOCATIONS FOR THE DRILLING OF THE BALLOUZ #2, VAN SCOY #1, CHESS #2, SARAH HURST #1, NEWLON #1 AND 2, COFFMAN #2, UNDERWOOD #2, STARKEY #1, COTTRILL #1 AND THE MUTSCHELKNAUS #6 TO BE DRILLED IN DODDRIDGE AND HARRISON COUNTIES, WEST VIRGINIA

DOCKET NO. 191-179 ORDER NO. 1

REPORT OF THE COMMISSION

This cause came before the Commission on July 17, 2008, in the Department of Environmental Protection Conference Room, Charleston, West Virginia after giving notice as required by law at the request of Hall Drilling, LLC ("Hall") seeking approval for an exception to Operational Rule 39-1.4.2, for the drilling of a proposed the Van Scoy #1, Chess #2, Hurst #1, Newlon #1 and #2, Coffman #1, Underwood #2, Starkey #1 and Cottrill #1. Hall has requested the Ballouz #2 and Mutschelknaus #6 be withdrawn from this request. The proposed wells are to be completed in a shallow zone; however, Hall proposes to drill 100' into the Onondaga formation to allow for logging and completion operations. By definition, WV Code 22C-9-2 states that drilling into the Onondaga formation constitutes a deep well. The proposed location does not meet the spacing requirement imposed on deep wells; therefore, Hall has requested approval from the Commission for exception to rule 39-1.4.2.

FINDINGS OF FACT

- 1. The applicant is an operator within the meaning paragraph (4) subjection (a) of the West Virginia Code 22C-9-2.
- 2. Hall wishes to drill the above mentioned wells to the bottom of the Marcellus formation. The Marcellus shall formation lies directly above the Onondaga limestone formation. Hall intends to drill 100' into the Onondaga formation for rat hole purposes. Applicant's witness testified that 100' is necessary to fully log the Marcellus formation. The 100' of rat hole will allow the applicant to get logging tools, casing, tubing and perforating tools to sufficient depth below the pay zone.
- 3. The location of the proposed wells was chosen due topography and the geology of the potential producing formation.
- 4. The Applicant's witness is requesting an exception to the 400' leaseline spacing to the proposed Van Scoy #1, Chess #2, Hurst #1, Newlon #1 and #2, Coffman #1, Underwood #2, Starkey #1 and Cottrill #1.

5. Applicant's witness testified that the proposed location for the Newlon #1 is within 3,000' of 47-033-05016 also permitted to the Marcellus; and the proposed Newlon #2.

CONCLUSIONS OF LAW

- 1. That due notice of time, place and purpose of the hearing has been given in all respects as required by law.
- 2. That Operational rule 39-1.4.2 requires that all deep wells drilled shall be not less than 3,000 feet from a deep well drilling to or capable of producing hydrocarbons from the objective pool of the deep well and that Operational rule 39-1.4.3 allows for an exception to Operational rule 39-1.4.2.
- 3. That pursuant to Chapter 22C, Article 9, Code of West Virginia, as amended, the Commission has jurisdiction over the subject matter embraced in said notice, and the persons interested therein, and jurisdiction to promulgate the hereinafter prescribed Order.

ORDER

Now therefore, based on the Findings of Fact and Conclusions of Law, the West Virginia Oil and Gas Conservation Commission grants an exception to rule 39-1.4.2 to Hall Drilling, LLC for the drilling of the Underwood #1, Coffman #1, Newlon #1 and #2, Van Scoy #1, Chess #2, Hurst #1, Cottrill #1 and the Starkey #1 wells; and to drill 100' into the Onondaga formation. Furthermore, Hall will furnish to the Commission a copy of the bond log and perforating log within thirty days of the completion of the abovementioned well. In addition, Hall shall submit an affidavit signed by a principal of the company stating that the well was not and will not at any time in the future be produced, perforated or stimulated in any manner in a formation below the top of the Onondaga formation.

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

By:

Barry K. Lay, Chairman

Dated this 10th day of August, 2008, at Charleston, West Virginia.

Trust is our greatest resource:

August 12, 2008

WV DEP Office of Oil and Gas Attn: Cindy Raines 601 57th Street Charleston, WV 25304

Re: Underwood No. 1, Grant District, Doddridge County, WV

Dear Cindy,

Please find heretofore faxed and a hard copy mailed, an "Affidavit" concerning the status of 47-017-04585. As I previously testified during our hearing of July 17th, the said well was never drilled beyond fresh water formation nor was it plugged.

A new lease was taken on this particular lease without any legal responsibility by our company concerning the existing casing which extends to the depth of 250' of 26" pipe.

Please let me know if I can be of further assistance on the question of the existing casing. We would like to begin site preparation as soon as the permit is issued. As always I appreciate your help on this matter.

Sincerel

Gregory R. Barton

Partner

Attachment: Affidavit- re: Underwood No.1

Cc: Kay Holtsclaw

AFFIDAVIT

I, Michael T. Hall, President of Hall Drilling, LLC, having an address of Post Office Box 249, Ellenboro, West Virginia 26346 does hereby acknowledge and verify to the best of my knowledge that the well known as Permit #47-017-04585 located in Grant District of Doddridge County, West Virginia was only drilled to a depth of 250 feet and cased thereof without being drilled, completed or produced thereof.

I, Michael T. Hall have also personally inspected said well and further state that no plugging was done in reference to this well drilled only to the depth of 250 feet to cover the fresh water formations.

Michael T. Hall, President

Date: 8/11/08

State of West Virginia County of Ritchie

, Annalisa R. Dobbins , a No	stary Public, in and for said county and state,
lo hereby certify that Michael T. Hall, whos	se name is signed to the writing above bearing
the 11^{th} day of <u>August</u> , 2008, this c	day acknowledged the same before me in said
Official Seal Notary Public State of West Virginia Annalisa R. Dobbins PO Box 341 Ellenboro, West Virginia 26346 My Commission Expires Mar. 17, 2009	Auralisa R. Dalelini Notary Public

My Commission expires on: March 17, 2009



BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL

DRILLING, LLC., FOR EXCEPTION

LOCATIONS FOR THE DRILLING OF THE BALLOUZ #2,

VAN SCOY #1, CHESS #2, SARAH HURST #1, DOCKET NO. 191

NEWLON #1 AND 2, COFFMAN #2, UNDERWOOD #2, CAUSE NO. 179

STARKEY #1, COTTRILL #1, AND THE

MUTSCHELKNAUS #6 TO BE DRILLED IN

DODDRIDGE AND HARRISON COUNTIES, WEST VIRGINIA,

in the above-entitled action, on the 17th day of July, 2008, commencing at 11:34 a.m. and concluding at 12:49 P.m., at the Office of the Department of Environmental Protection, 601 57th Street, S.E., Charleston, Kanawha County, West Virginia, pursuant to notice of all interested parties.

BEFORE:

BARRY LAY, Chairman JAMES MARTIN, Member ANTHONY GUM, Member ROBERT RADABAUGH, Member CINDY RAINES, Staff

APPEARANCES:

GREG BARTON,

Representative for Hall Drilling, LLC.

NORM STEENSTRA,

West Virginia Surface Owners Rights

MISSY L. YOUNG, C.C.R.

POST OFFICE BOX 6296

CHARLESTON, WEST VIRGINIA 25362

(304) 205-4942 or (304) 539-6192

I N D E X

EXHIBITS

Exhibits:		<u>Received</u>	
No.	1,	Notice of Hearing	3
No.	2,	Newspaper Confirmation	3
No.	3,	Request for Hearing Letter	3
		dated March 29, 2008	
No.	4,	Well Work Permit Application	3

Reporter's Certificate 34

1	CHAIRMAN LAY: Before the Oil and Gas
2	Conservation Commission of the state of West Virginia, in
3	the matter of the request by Hall Drilling, LLC, for
4	exception locations for the Ballouz #2, Van Scoy #1, Chess
5	#2, Sarah Hurst #1, Newlon #1 AND 2, Coffman #2, Underwood
6	#2, Starkey #1, Cottrill #1, and the Mutschelknaus #6 to be
7	drilled in Doddridge and Harrison counties, West Virginia.
8	This is Docket No. 191, Cause No. 179.
9	Let the record show that present are
10	members of the Commission, Robert Radabaugh, James Martin,
11	Anthony Gum, Barry Lay, and Cindy Raines of staff.
12	I would like to place on record as Exhibit
13	No. 1 a copy of the Notice of Hearing. Exhibit 2, is a
14	copy of the notice of legal advertisement. Exhibit 3 is a
15	copy of a letter dated March 29, 2008 from Bluestone Energy
16	Partners as exhibit 3. Let's go off for just second.
17	(WHEREUPON, a discussion was held off the
18	record.)
19	CHAIRMAN LAY: Collectively as Exhibit No.
20	4, copies of all the well applications.
21	(WHEREUPON, the documents
22	referred to were marked for
23	(WHEREUPON, the documents referred to were marked for identification as Exhibit Nos.
24	1 through 4, and were received

1	into evidence.)
2	CHAIRMAN LAY: At this time the Commission
3	will take appearances. Please, state your name for the
4	record.
5	MR. STEENSTRA: Norm Steenstra with the
6	West Virginia Surface Owners Rights organization.
7	CHAIRMAN LAY: Mr. Barton, would you state
8	your name for the record?
9	MR. BARTON: Yes, sir. Gregory Barton
10	partner with Bluestone Energy Partners, Hall Drilling, LLC.
11	CHAIRMAN LAY: At this time if you would
12	proceed with your evidence. Madam Court Reporter, would
13	you swear the witnesses, please?
14	(WITNESSES SWORN.)
15	CHAIRMAN LAY: You want to proceed, Mr.
16	Barton?
17	MR. BARTON: Yes, sir. Commissioners, Hall
18	Drilling LLC and Bluestone Energy has come before the
19	Commission today to request a deep well permit on those
20	wells mentioned which does include the Underwood #2, the
21	Coffman #2, the Newlon #1, the Newlon #2, the Sarah Hurst
22	#1, the Van Scoy #1, the Cottrill # 1, the Chess #2, the
23	Starkey # 1.
24	In front of the Commission today we would

MISSY L. YOUNG, C.C.R. (304) 205-4942 or (304) 539-6192

West Virginia.

- ask for the Commission's approval for the deep well permit.

 These wells are located in Doddridge and Harrison County,
 - CHAIRMAN LAY: One thing I forgot to mention. We have determined that the Ballouz #2 meets the criteria for issuances as a deep well permit, and therefore we are removing it, withdrawing it from the hearing today.

MR. BARTON: Yes, sir. I also requested that the Commissioners remove Mutschelknaus # 6. We are going to keep it as a shallow well as it was originally intended.

the Mutschelknaus # 6 and the Ballouz # 2. Okay. If you would be so kind, Mr. Barton, to go through each of the applications one at a time and tell us what the exception that you are requesting for each permit might be?

MR. BARTON: Yes, sir. The first one on the docket would be the Underwood #2, located in Grant District, Doddridge County, consisting of 90 acres plus or minus, that is the lease itself. Comprised of four tracts of property, surface wise and lease itself encompasses 90 acres of which those four tracts, surface wise are a part of route 50, US Route 50 runs through the middle of this particular tract. We have located the Underwood #2 well

1 approximately 190 feet from the property line itself. That
2 is the lease line as well.

CHAIRMAN LAY: Is there a particular reason that you located that well in that position rather than 400 feet from the property line?

MR. BARTON: Yes, sir. Typically in West Virginia it goes to the terrain itself. Not due to any spacing of any other wells, since this is a Marcellus well. The terrain and the location of that particular well and in essence as comparable to a shallow to a Marcellus well the location size.

CHAIRMAN LAY: By the looks of the wall plat there shows a few wells within the 3000-foot spacing requirements, are they all shallow wells or are any of these deep wells?

MR. BARTON: They are all shallow wells. There is no deep wells within a 3000 foot radius.

CHAIRMAN LAY: Okay.

MR. BARTON: They was. Let me state to the Commission, they was a well, as you will see a casing there permit 4585. That was intended to be a Trenton Black River well in it's early stags. It was never drilled. It was put there in the year 2000, 2001, which you can see as you are driving down the four-lane. I think you are all

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23

24

this one.

1	familiar with the story, or that scenario. That well was
2	never drilled. Casing was the only thing put down 250 feet
3	and that was all there is. That was intended to be a deep
4	well at it's time and place, but has since been abandoned.
5	CHAIRMAN LAY: Before we move on to the
6	next one, are there any questions about the Underwood lease
7	or well?
8	MR. STEENSTRA: I apologize. I have never
9	actually been to a hearing before. I'm sure if I can
10	question or not.
11	CHAIRMAN LAY: Yes. You are certainly
12	allowed to ask questions.
13	MR STEENSTRA: The main thing that I'm
14	interested in is how many number of wells do you have
15	within the 3000-foot radius? I didn't get any information
16	beforehand. I just got thrown in here because somebody else
17	couldn't make it. So I apologize for my lack of
18	preparedness.
19	CHAIRMAN LAY: It looks like I'm sorry
20	can you ask the question again please?
21	MR. BARTON: I think he was, correct me if

MR. STEENSTRA: Shallow wells, I guess.

I'm wrong, you want to know how many wells are close to

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1	MR. BARTON: There is four shallow wells,
2	five, as a matter of fact. If it's alright with the
3	Commission I have no problem showing this gentleman. This
4	one if plugged (indicating). This one is just the casing
5	its self. That's the one I mentioned, was never drilled.
6	And you've got one down here (indicating). This is your
7	radius.
8	Maybe Mr. Lay may want to explain to him.
9	The Commission, as far as the deep well permits, if you
10	have another deep well within 3000-foot radius, then a
11	notification there of
12	MR. STEENSTRA: That's not the notification
13	it's just number of overall wells. It's just that the
14	deep wells have to be 3000 feet apart?
15	MR. BARTON: And when they surveyed this,
16	and bear with me you gentleman are used to this, when they
17	surveyed this and they throw it back into a deep well
18	permit, then the surveyor has to come back out and locate
19	anything within this radius, as well as he has to hear your
20	footage from that well to the property or lease line. In
21	this particular incidence it is the same.
22	MR. STEENSTRA: Thank you.
23	CHAIRMAN LAY: Any other questions?

MR. MARTIN: I have a question, Mr.

	Chairman.							that	for	the	Trent
2	Black Rive	r pe	rmit?	Is	that	true	?				

MR. BARTON: Yes, sir, it was.

MR. MARTIN: What is it status at this

point?

MR. BARTON: It is nothing but a case in the groung. The lease has expired by its own terms. My understanding, there were several lawsuits on this particular well to be drilled. It was an investor well and the investor problems. The lease ran out by its own terms and in accordance it was leased again by Mr. Mutschelknaus, who in turn assigned it to use, this 90-acre lease. So there is a location still as you can see going down Route 50. You can see the, up on location not from 50, but you can see the casing its self sticking out of the ground. It just went down past the fresh water and they stopped.

MR. MARTIN: So is the well plugged?

MR. BARTON: No, sir, it was not plugged.

MR. MARTIN: Who is the operator of the

well?

MR. BARTON: At the time who was doing that was a gentleman by the name of Duncan. Warren Haught was involved in it. There were several people involved in that particular well. My memory tells me, as I said, it was

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1	never drilled, never produced of course, only down below
2	the fresh water seams. It was cased and then the lawsuits
3	began at that point in time. They went into court with the
4	surface owner who was Vernon Underwood or his mother at the
5	time, she was alive, and it was reclaimed several times due
6	to slippage and walked away from.
7	MR. MARTIN: So who has the bond today?
8	MR. BARTON: To this day, I don't have any
9	idea. I know title was cleared on it through Steptoe &
10	Johnson as far as giving us the rights. Because the lease
11	had run out by its own term and it was not a producing well
12	its self, for our legal intents and purposes, it was
13	considered never drilled to a producing well.
14	MR. MARTIN: So you would, Hall Drilling
15	now has the 90-acre lease?
16	MR. BARTON: Yes, sir.
17	MR. MARTIN: Do you have the Trent Black
18	River rights on that 90 acres?
19	MR. BARTON: If we so desire, yes, sir.
20	MR. MARTIN: Thank you.
21	MR. BARTON: Your welcome.
22	CHAIRMAN LAY: Any more questions?
23	MR. GUM: So this Underwood well is, the
24	only exception is your spacing with the diagram?

1	MR. BARTON: Yes, sir.
2	MR. GUM: Two hundred and what?
3	MR. BARTON: One hundred and ninety feet
4	to the lease line, yes, sir.
5	MR. GUM: To the lease line?
6	MR. BARTON: Yes. sir.
7	CHAIRMAN LAY: Okay. You want to move to
8	the next one.
9	MR. BARTON: The next well is the Coffman
10	No. 2. This location is located in McClennan District of
11	Doddridge county. It is approximately 112 feet from the
12	lease line. It's a 38.5 acre tract. There is no deep
13	wells within the 3000 foot radius.
14	CHAIRMAN LAY: What is the reason for being
15	212 feet from lease line?
16	MR. BARTON: The terrain itself this
17	particular lease is located on East Run and I would liked
18	to have put additional Marcellus wells on this particular
19	
	tract, but because of the terrain, we were lucky to get one
20	tract, but because of the terrain, we were lucky to get one up on a hilltop meadow. That is the reason why it is so
20	
	up on a hilltop meadow. That is the reason why it is so
21	up on a hilltop meadow. That is the reason why it is so close to the boundary line, is because of the terrain.

1.2

have. I would like to have moved it 400 in the middle of
the tract, but I Cost effective wise and disturbing
the property more than what it will already be in the
Marcellus location, we don't feel it's feasible

CHAIRMAN LAY: It shows several wells and several 329 wells within the 3000-foot circle, but they are all shallow wells?

MR. BARTON: Yes, sir.

CHAIRMAN LAY: Okay. Questions from members of the board? I'm sorry, I've forgotten your name.

MR. STEENSTRA: Norm.

CHAIRMAN LAY: Do you have any questions?

MR. STEENSTRA: I guess just one more general question. The possibility of a shallow being expanded to a deep well, is that something that could be worked in the future just for my knowledge, in layman's terms, shouldn't be because of the 300 feet?

MR. BARTON: Technically, cost efficient, I don't believe the piping itself would sustain it going deeper. Now Mr. Lay may differ with me on that. We've looked into that. Our intentions is to keep our shallow shallow and Marcellus Marcellus. In this incidence you can drill on the same location, okay? If I had a shallow Gordon well engine given the Berea, I could go on the same

valuable.

- location and drill me a Marcellus because I'm not producing
 out of the same formation. In this particular incidence,
 and we're looking at our Marcellus when they cease to
 produce or they don't give up as much as we feel try to
 come back up hole and refrac those formations that would
 hopefully make the well a little bit more economically
 - CHAIRMAN LAY: To answer your question, again, if that were to happen they would require the operator to permit that well. If there are no other questions, we'll move on to the next one.

MR. BARTON: The next well is the Newlon No. 1, located in Grant District Doddridge County. Very close to the Harrison County line. It's on a 100-acre tract. The surface itself is owned by one individual, Mrs. Ritter. Again, I will state to the Commission there is no deep well permit surrounding the 3000-foot radius, with the exception of the Ritter No. 1 well. Which I was in front of the Commission a month ago, I believe, of which we classified it as a deep well and the Commission approved it, which is only drilled to the Marcellus.

CHAIRMAN LAY: It's on the 28 acres to the South isn't it?

MR. BARTON: Yes, sir.

1	CHAIRMAN LAY: Okay. And it's not more
2	than 3000 feet away?
3	MR. BARTON: It is less than 3000, with the
4	exception of the Ritter, yes, sir. With the exception of
5	the Ritter No. 1.
6	CHAIRMAN LAY: okay.
7	MR. BARTON; Again, the same surface owner.
8	The reason why this well was located 150 feet from the
9	lease line is this well could have been moved into the
L 0	meadow. For reasons of the surface owner who did not own
L 1	any minerals on this particular tract, unlike the one that
L2	she owned on the 12-acre tract, for all intents and
L3	purposes and the value of the property as it sets, we moved
L 4	it closer to the lease line, it would less disturbance to
L5	her only meadows that she within that farm. That is the
L6	reason why we moved that as we did.
L7	CHAIRMAN LAY: That was done per her
L8	request?
L9	MR. BARTON: Her request and my request.
20	MR. RADABAUGH: Rick, you are also
21	requesting to be within the 3000 feet?
22	MR. BARTON: Yes, sir. In this particular,
23	of which is our well, yes, sir. Yes, sir.
2.4	MP MARTIN. Isn't that is the normit

1	5604? Is that the one that you are within 3000 feet of?
2	MR. BARTON: Yes, sir.
3	CHAIRMAN LAY: In this particular case you
4	are requesting variance to the 400-foot rule and a variance
5	to the 3000-foot rule?
6	MR. BARTON: Yes, sir.
7	CHAIRMAN LAY: Any more questions? Norm,
8	do you have any questions?
9	MR. STEENSTRA: I'll hold until the end, I
LO	guess.
L1	CHAIRMAN LAY: Okay. Next?
12	MR. BARTON: The next is the Newlon No. 2,
13	on the same lease hold. The same surface owner which is
14	Neva Ritter.
15	CHAIRMAN LAY: I'm sorry, did you say the
16	Newlon No. 2? I've got a Newlon No. 1.
17	MR. RADABAUGH: And a Newlon No. 2 also.
18	MR. BARTON: I thought we covered No. 1
19	before that, my apologies.
20	MR. RADABAUGH: You did.
21	MR. BARTON: We did? Okay.
22	CHAIRMAN LAY: I had the wrong I'm
23	sorry go ahead.
24	MR. BARTON: This will be the Newlon No. 2

on the 100-tract, Grant District, Doddridge County. Again, 2. the surface owner is Neva Ritter. There is no deep well permitted or drilled within 3000 foot of the Newlon No. 2. 3 The location of the No. 2 is the same as for the reason of 4 No. 1, to stay out of the surface owners only meadow, 5 6 hilltop meadow that run up through there. 7 Mr. RADABAUGH: What's your distance on the lease line? 8 MR. BARTON: The lease line is 128 feet. 9 10 MR. MARTIN: Are there any deep well 11 permits within 3000 feet? MR. BARTON: No, sir. 12 MR. GUM: So all of these Newlon wells, the 13 14 same person and the distance is always less than 400? 15 MR. BARTON: Yes, sir. 16 MR. GUM: Is to stay out of the meadow? 17 MR. BARTON: Yes, sir. 18 MR. GUM: And the meadow is owned by - -19 MR. BARTON: - - Mrs. Ritter. 20 MR. GUM: Same person? 21 MR. BARTON: Same person. If at all 22 possible, if at all possible we try to sacrifice the meadows and not ruin those for reasons of whatever reasons 23 24 they owe to cutting hay or economic reasons they may sell

it off for housing. This particular piece lays right on the four-lane and is a valuable piece of property. Some surface owners do not care, but most do care.

So if at all possible and the terrain gives us the rights, we will try to stay off the meadows, if at all possible. For the record, we are not a stock owned company. So we drill for the production and not for the investor. So production to us is important. At this stag of the game I will not say that we would not go back later on in years and possibly drill in that meadow, but for now, for all reasons and intents and purposes at the Marcellus, and not knowing how far the frac travels and the spacing on it, we are trying to space these as best we can to keep them from connecting with each other and also on the other hand in this incidence for the surface owner themself. Especially, when you have known them all your life, you try to do the best you can on these.

MR. MARTIN: I commend you for doing that.

I mean, I think that's the right thing to do to try to help out with those surface issues. I guess the other question I have, is by doing that are you, on any of these sites, are you creating any environmental issue because the site is now going to be more difficult to build or maintain?

MR. BARTON: I think any time that you

build this size of location that you take a chance of whether you've got possible slippage or anything of that sort. We look at it very hard and very long to make sure if at all possible this does not occur down the road. You never know what's going to happen.

But Mr. Martin, we look at it in the sense that if we can spend a little extra money pleasing the surface owner, because we are a small company and PR is very important to us, I mean it's just bottom line. We're not, we don't have the resources and we have to go at it the best way we can in the sense, not only to hold costs, but to make sure down the road that that doesn't occur, you know, slippage or anything of that sort. Now that will occur, there's not a doubt in my mind at some point in time at some of these locations that's inevitable to happen as we all know.

What we have found out that right reclamation, the right seeding so-far-so-good. I won't say that it's not going to happen next week but. The one we built there in Salem on the Mutschelknaus No. 1, which was a rather large location, and it was a steep location, that's holding very good. Of course we got a lot of rain, a lot of et cetera and the grass has taken hold and there have been no problems whatsoever. We monitor these to make

sure that, through you-all as well as through ourselves to
make sure that, what's better than a nice location, you
know, as far as PR. Not saying we're the best, but I'm
saying that we try awful hard, yes, sir.

CHAIRMAN LAY: Any further questions with regard to the Newlon No. 2? Okay.

MR. BARTON: The next one is the Sarah

Hurst No. 1, 51 acres, located in Grant District, Doddridge

County. There is no deep wells within the 3000-foot radius

of this particular location of this well which is located

120 feet off of the lease line and surface line as well. I

will point out to the Commission, and we discussed this

last for your benefit, sometimes the lease line is

different than surface line.

MR. STEENSTRA: Yes.

MR. BARTON: Again, the location of this particular well was located there due to the terrain and also due to the surface owner who asked us to stay out of his bottom land.

CHAIRMAN LAY: He was agreeable with the location of the site?

MR. BARTON: Yes, sir. He was not happy that we were going to drill a well, okay? He was not happy of that at all. He is in Florida and comes up here

-	periodically, but in retrospect he understood and if you
***************************************	are going to drill a well, I prefer you put it there
-	(indicating) than put it down where possibly I may build a
	house one day. So location of that and I will say that we
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	are looking to drill on the other side of his property, but
000000000000000000000000000000000000000	we want to test this one first and see if the Marcellus is
***************************************	still extending south that way.

CHAIRMAN LAY: So this particular well is only asking for an exception to the 400-foot rule?

MR. BARTON: Yes, sir.

MR. RADABAUGH: What's your boundary there?

MR. BARTON: One hundred and twenty feet.

MR. MARTIN: In these cases Mr. Barton, where the land owner made these requests, are they signing waiver in those incidences?

MR. BARTON: Yes, sir. In most incidences they are signing the waiver and/or I've had a few let you 15 days notice run out, I would rather not sign and then under state law, as you know, my reclamation begins I have to send them a certified notice that they have two years after the time, well, you know.

You may not be aware of this, but you have two years after the time of notification to bring any objections to it. Often times when I have a surface owner

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1	sign my service waiver, I initially go a head and pay him
2	part of the damages if not all and he signs a waiver that
3	he has excepted this as twofold for the drilling and for
4	any other work he deems necessary he wants done within the
5	contract of that.
6	MR. MARTIN: So in some cases they are
7	signing waiver and in some case they are not filing
8	comments?
9	MR. BARTON: That's right, yes, sir.
LO	MR. MARTIN: Are there any cases where they
L1	are actually filing comments where you have moved a site
L2	per their desires?
13	MR. BARTON: I believe there was one that
L 4	came through on a shallow well.
15	MR. MARTIN: I mean in regard to these?
16	MR. BARTON: No, sir, not today, no, no. I
17	didn't mean to go down that road.
18	CHAIRMAN LAY: Any other questions with the
19	Hurst? What's next?
20	MR. BARTON: Van Scoy No. 1, again located
21	in the Grant District in Doddridge County, 65.20 acres. My
22	surface owner Norma Van Scoy. The location from the lease
23	line on one side is 256.37 acres to the other side is 393

acre or 393 feet, I apologize. Again, there is no deep

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- 1 well within the 3000-foot radius and the well is located on 2 this particular tract because it is the only location due to slippage on this particular tract located adjacent to 3 4 Route 50. The accessibility of getting into this 5 particular location and crossing high pressure line of Dominion and Columbia. 6 CHAIRMAN LAY: So the 400-foot rule again is the only requirement that you are asking for? 8 MR. BARTON: Yes, sir. 9
 - CHAIRMAN LAY: Any other questions?
 - MR. MARTIN: I just want to be clear on several of these you have testified that there are no deep wells. I just want to make sure that when you say that you are including deep well permits?
 - MR. BARTON: Yes, sir.
 - MR. MARTIN: Is that true? Okay.
 - MR. BARTON: Yes. I requested Smith Land Surveys when they do the surveys to go through like they do on all the shallow and anything that they have of record through your office to locate anything of the sort as part of their job when we pay them and to the knowledge they give me. Yes, sir.
 - CHAIRMAN LAY: Go a head. Any other questions about the Van Scoy? What do you have next?

1	MR. BARTON: I have the J.L. Cottrill
2	lease, 56.25 acres, located again in Grant District in
3	Doddridge County.
4	CHAIRMAN LAY: How far is it from the lease
5	boundary?
6	MR. BARTON: The boundary line is 346 acres
7	from the North, 305 acres to the East. Feet, I'm sorry.
8	MR. RADABAUGH; Three hundred and some?
9	MR. BARTON: Three hundred and five. Feet
10	to the East and 346 feet to the North on the lease line and
11	property line.
12	CHAIRMAN LAY: Are there any wells within
13	3000 feet?
14	MR. BARTON: No, sir.
15	CHAIRMAN LAY: The reason for this one
16	being less than 400?
17	MR. BARTON: Less then 400 feet to the
18	lease line.
19	CHAIRMAN LAY: To the lease line?
20	MR. BARTON: Yes, sir.
21	CHAIRMAN LAY: Was there a specific reason
22	as to why it's 400 feet from the lease line?
23	MR. BARTON: It's less than 400 feet due
24	to the terrain. That's why it was located where it was.

1	CHAIRMAN LAY: Okay.
2	MR. BARTON: Three hundred and five feet,
3	346.
4	MR. MARTIN: I notice there is several
5	wells apparently leased these permits, I'm assuming from
6	what you said those are all shallow withing 3000 feet of
7	this cite, right?
8	MR. BARTON; Yes, sir.
9	MR. MARTIN: Do you know who operates those
10	wells? Are those operated by your company?
11	MR. BARTON: No, sir. They are operated by
12	Mountain V, Charity Gas, Dominion and Jim Scott which was
13	Emax.
14	MR. MARTIN: What about the well that's
15	southwest, roughly 1400 feet or so, permit No. 3016, is
16	that on the same lease?
17	MR. BARTON: No, sir. That's plugged?
18	MR. MARTIN: No, it's not plugged.
19	MR. BARTON: That's not producing. It's
20	not plugged but it's not producing, it's been abandoned.
21	MR. MARTIN: But it's on the same
22	MR. BARTON: Yes, sir. I was looking at
23	1757 plugged, I'm sorry.
24	MR. MARTIN: Is that Hall Drilling's well?

1	MR. BARTON: No, sir.
2	MR. MARTIN: Do you know who's it is?
3	MR. BARTON: No, sir. It shows it as
.4	abandoned.
5	CHAIRMAN LAY: Other questions?
6	MR. BARTON: Let me back up Mr. Martin.
7	3016 was an old petroleum development corporation well,
8	okay, which was forfeited to and sold to Jimmy Stubbs. I'm
9	going to back off on this. He gets free gas from that
10	well. Mr. Stubbs, Mrs. Bailes brothers and sisters, the
11	story may be right here, he has signed off on all right
12	title and interest of which Mrs. Bailes ownes the minerals
13	under this tract. So he is obtaining free gas, so I'm
14	incorrect on this which as old PDC well.
15	MR. MARTIN: So it's still on PDC's bond?
16	MR. BARTON: I'm not sure who's bond it's
17	on. I know that he is obtaining free gas and it was signed
18	off by PDC to get rid of it and all right title and heirs.
19	With no reservation of PDC on the lease hold itself. So
20	they just didn't give the well away, they got rid of the
21	whole liability of it as a free gas well.
22	MR. RADABAUGH: There's a good possibility
23	
24	MR. BARTON: I know he signed off as far

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- as, you understand what I mean, any kind of. I'm sorry Mr.

 Martin, I just happened to think about that.
- 3 MR. MARTIN: That's fine.
- CHAIRMAN LAY: Any other questions? Oksy.
- 5 What's the next one.

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133.77 acres located again, I'm sorry, McClennen District,
Doddridge County. Again, there is no wells within the
3000-foot boundaries of this particular lease or proposed
well. The location of the well No. 2 was upon the

MR. BARTON: The Chess No 2, which is

- 11 recommendation of the surface owner Mr. Flanagan. It was a
- 12 better location for him plus he wanted a well road back up
- on the hill for accessability for him to be able to get
- 14 accessability to his, back on his ridge for whatever
- reason. It is approximately, one side is 565 feet to the
- 16 north. That's not right. 565 feet to the northeast and to
- the boundary lines, approximately it looks like, 236 feet,
- 18 that's the closest, 236 feet. That's why I'm asking for a
- 19 variance on that one.
- 20 CHAIRMAN LAY: That was at the request of
- 21 | the land owner?
- MR. BARTON: The surface owner, yes, sir.
- 23 Who owns no minerals.
- 24 CHAIRMAN LAY: Any other questions? Next

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1	on.
2	MR. BARTON: The Starkey No. 1, 70 acres
3	located in Elk District, Harrison County. Again, no deep
4	wells and or deep well permits within 300 feet of the
5	proposed No. 1 well. Its distance to the lease line is 130
6	feet.
7	CHAIRMAN LAY: And your reason for it being
8	130?
9	MR. BARTON: The location and the terrain
10	of the property and the request of the surface owner who
11	does own 100 percent of the minerals who leased it directly
12	to our company.
13	CHAIRMAN LAY: Okay. That's all?
14	MR. BARTON: Yes, sir.
15	CHAIRMAN LAY: One question, I probably
16	should have gone back and started over. One question, deep
17	wells that you have proposed, how many of them are within
18	3000 feet of each other?
19	MR. BARTON: That would be the Newlon No. 1
20	and in reference to the Ritter No. 1, that is it to my
21	knowledge. I may be incorrect.
22	CHAIRMAN LAY: It looks like the Ritter No.

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1 and the Ritter No. 2 would be within 3000 feet of each

other in addition to the Ritter No. 1.

1	
1 .	MR. BARTON: You mean the Newlon?
2	CHAIRMAN LAY: The Newlon, I'm sorry. For
3	one of those wells you need an exception. You use the
4	exception for the Ritter No. 1, that's out of sequence in
5	numbering, then the Ritter No. 2 would met the criteria for
6	the spacing but the Ritter No. 1
7	MR. BARTON: Is within 3000 feet.
8	CHAIRMAN LAY: was within 3000 feet
9	of the No. 2 and the Ritter No. 1. Is that correct?
10	MR. BARTON: Yes, that's correct.
11	MR. MARTIN: One question I had back to
12	the Starkey?
13	MR. BARTON: Yes, sir.
14	MR. MARTIN: Part of you reason for that
15	location there was at the land owners request?
16	MR. BARTON: Yes, sir.
17	MR. MARTIN: He was also the mineral owner?
18	MR. BARTON: Yes, sir.
19	MR. MARTIN: In those incidences are those
20	locations negotiated as part of the lease agreement?
21	MR. BARTON: Sometimes, in this particular
22	situation it was not because he asked usI had leased
23	that myself personally and then when went in to spot the
24	wells, like in the lease agreement he made no mention of

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- it. He went in and went in with the surveyors and he asked 1 2 us to consider moving those wells. He's a farmer up there and he also would like to have access on the back part of 3 his farm which he didn't have, so we moved it. 5 MR. MARTIN: Thank you. 6 MR. BARTON: Now it would have been better 7 for us economically to have kept if on down to be honest with you. 9 MR. RADABAUGH: Do you have a permit number on that Ritter No. 1? Is Ritter No. 1 what we're talking 10 about on spacing thing - -11 MR. BARTON: Yes. 12 13 MR. RADABAUGH: - - we did from the previous hearing? 14 MR. BARTON: No, I don't have it. Cindy
- 15
- 16 may have it. I'm sorry I don't have it with me.
- MS. RAINES: What well did you say was 17 within 3000 feet of that? 18
 - MR. BARTON: The Ritter No. 1, when I was down here on that.
- 21 MS. RAINES: What proposed location is within 3000 feet? 22
- 23 MR. BARTON: The Newlon No. 1. I can call 24 and get it right quick.

1	MR. RADABAUGH: Is you would, I need that
2	here.
3	MR. BARTON: Okay.
4	CHAIRMAN LAY: You can get that while we -
5	_
6	MR. BARTON: Okay. I can go out in the
7	hall.
8	CHAIRMAN LAY: Or we could take a short
9	recess if you want to.
10	MR. BARTON: It's up to you-all.
11	CHAIRMAN LAY: Let's get through are
12	there any other wells that would be within 3000 feet of
13	each other than those two?
14	MR. BARTON: Right, those two.
15	MR. STEENSTRA: If I understand you
16	correctly, one of those two is within 3000 feet of two
17	wells, right?
18	MR. BARTON: Right.
19	CHAIRMAN LAY: Is there any other evidence
20	that you would like to present at this time Mr. Barton?
21	MR. BARTON: No, sir.
22	CHAIRMAN LAY: Norm, do you have any
23	questions?
24	MR. STEENSTRA: Not so much questions,

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comments, I guess. Again, I apologize for being a nubbie at this. I appreciate your efforts to accommodate me. I want to thank Bluestone for their efforts. They have gone out of their way and I've got it on record in our files that, you know - - commenting and happily they have gone out of their way to help the - - centers. At least not interfere with their daily lives. That is something that we are happy to see.

I'm a little worried. I can see one well within 3000 feet, but two of them I kind of have some concern about that. There is the one case before the Supreme Court right now where they tried to lower the 300 feet to 1000 feet. I missed that. I was gone last week. I'm way out of touch with some things.

I guess the last thing is Dave McMan who is pretty much our attorney, just wanted me to put one thing in real quick. I guess quoting from your statues, is that how it is, fully utilize the statues, promote conservation of the resource which benefits everybody in getting the most hydro carbons out with the least number of wells. This comes from what we kind of see from the surface owner the less interruption the better. I do understand that they have done a good job. I understand that and that they have gone out of their way, so we can

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1	except this well.
2	CHAIRMAN LAY: Okay. Any thing further.
3	Let's go off the record. If you would get us that permit
4	number for the Ritter No. 1, it would greatly appreciated?
5	MR. BARTON: No problem.
6	(WHEREUPON, the board members deliberated
7	off the record.)
8	CHAIRMAN LAY: We're back on the record.
9	Did you get the permit number so it matches what we got?
10	MR. BARTON: Yes, sir, 47-033-5106.
11	CHAIRMAN LAY: Do I have a motion?
12	MR. RADABAUGH: I'd like to make a motion.
13	I make a motion to grant Hall Drilling in the absence of
14	any objections to the request for the exception to the 400-
15	foot lease line rule, thus allowing them to be within 400
16	feet of the said lease lines for the following wells:
17	Underwood No. 2, Doddridge, 05665; Coffman No. 2,
18	Doddridge, 05535; Newlon No. 1, Doddridge, 05585; Newlon
19	No. 2, Doddridge, 05586; Sarah Hurst No. 1, Doddridge,
20	05638; Van Scoy No. 1, Doddridge, 05604; J.L. Cottrill No.
21	1, Doddridge, 05680; Chess No. 2, Doddridge, 05645; Starkey
22	No. 1, Harrison, 05066. Also grant exception for the

05586 to be within 3000 feet of an existing deep well known

Newlon No. 1, Doddridge, 05585, and the Newlon No. 2,

Proceedings

as the Ritter No. 1, Harrison, 05016. Also grant an exception for the Newlon No. 1 to be within 3000 feet of the Newlon No. 2, permit number that I just mentioned.

Also will allow Hall Drilling to drill 100 feet below the base of the Marcellus which is in excess of the allowable 20-foot limit for the above named wells.

Hall Drilling can not perforate and/or produce anything below the base of the Marcellus unless they reappear before the Commission and request for such. Hall Drilling shall provide to the Commission a copy of all the well logs and perforation logs of each well in this case along with an affidavit signed by an officer of the company that states that they have not perforated, stimulated or are producing anything below the base of the Marcellus.

MR. GUM: I second that motion.

CHAIRMAN LAY: It's been properly moved and seconded. Any further discussion? All of those in favor of the motion, yea. (All respond in the affirmative.) All apposed, nay. The motion carried. Okay. Is there anything further for the record? If not, I close the record. Thank you.

(WHEREUPON, the hearing was concluded at 12:49 p.m.)

STATE OF WEST VIRGINIA,
COUNTY OF KANAWHA, to-wit:

I, Missy L. Young, a Certified Court
Reporter and Notary Public within and for the county and
state aforesaid, duly Commissioned and qualified, do hereby
certify that the foregoing hearing was taken by and before
me at the time and place and for the purpose specified in
the caption hereof, the said witnesses having been first
duly sworn by me to testify the whole truth and nothing but
the truth concerning the matter in controversy.

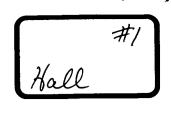
I do further certify that the said hearing was transcribed under my direction and supervision; and that this hearing is a true record of the testimony given by the witnesses.

Certified Court Reporte
Notary Public, State Of West Virginia
MISSY L. YOUNG. C.C.R.

PO BOX 6296 CHARLESTON, WV 25312 My Commission Expires April 15, 2018

My commission expires April 15, 2018.





west virginia department of environmental protection

Oil and Gas Conservation Commission 601 57th Street, SE Charleston, WV 25304 (304)926-0499, Ext 1656 Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE REQUEST BY HALL DRILLING, LLC FOR EXCEPTION LOCATIONS FOR THE DRILLING OF THE BALLOUZ #2, VAN SCOY #1, CHESS #2, SARAH HURST #1, NEWLON #1 AND 2, COFFMAN #2, UNDERWOOD #2, STARKEY #1, COTTRILL #1 AND THE MUTSCHELKNAUS #6 TO BE DRILLED IN DODDRIDGE AND HARRISON COUNTIES, WEST VIRGINIA.

DOCKET NO. 191 CAUSE NO. 179

NOTICE OF HEARING

Hall Drilling, LLC ("Hall") has requested the Commission review and approve the drilling of several proposed well locations in Doddridge and Harrison Counties. The proposed well locations do not meet the spacing requirements imposed on deep wells. Hall has requested approval from the Commission for exception to Rule 39-1-4.2

The matter has been scheduled as stated below:

DATE: July 17, 2008

TIME: 11:00 a.m.

PLACE: Department of Environmental Protection

Office of Oil and Gas 601 57th Street, SE Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF WEST VIRGINIA

By:

Barry, K. Lay, Chamman

Dated this 2nd day of July, 2008, at Charleston, West Virginia.

Promoting a healthy environment.

SENT BY: ______

DO NOT METER

INTERDEPARTMENTAL MAIL

set But was to be	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you.	B. Received by (Printed Name) C. Date of Delivery
Dominion Exploration & Produc	
Attention: Rusty Tallhammer	delivery address below:
P O Box 1248	·
Jane Lew, WV 26378	
	-T
	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.
	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number (Transfer from service label)	107 0220 0000 0375 3976
PS Form 3811, February 2004 Domestic F	Return Receipt 102595-02-M-1540

	$c_{ij} = c_{ij} + c_{ij} + c_{ij}$
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. 	Agent Agent Addressee B. Received by Printed Name) C. Date of Delivery
	130HU 2012K0013 08
Margaret Cheney Estate	l'ress different from item 1? ☐ Yes delivery address below: ☐ No
Hunter M. Bennett	delivery address below: ☐ No
P O Box 166	
Weston, WV 26452	
	3. Service Type Certifled Mail Express Mail Registered Return Receipt for Merchandise C.O.D.
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label)	7007 0220 0000 0375 3969
PS Form 3811, February 2004 Domestic Reti	urn Receipt 102595-02-M-1540

2

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Gertrude Howell Estate c/o Hunter Bennett, Jr. P O Box 166 Weston, WV 26452	Agent Addressee Addressee Addressee C. Date of Delivery Iress different from Item 1? Yes delivery address below: No
	3. Service Type A Certified Mall Registered Return Receipt for Merchandise Insured Mail C.O.D.
	4. Restricted Delivery? (Extra Fee)
2. Article Number 7007 02	20 0000 0375 3983
PS Form 3811, February 2004 Domestic	Return Receipt 102595-02-M-1540

of the figure	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Hunter M. Bennett, Jr TR U/M Hunter M. Bennet P O Box 166 Weston, WV 26452 	A Signature X Sold Sold Sold Sold Sold Sold Sold Sold
	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes
Article Number	7007 0220 0000 0375 4003
PS Form 3811, February 2004 Domestic Re	turn Receipt 102595-02-M-1540

WE WERE THE THE **SENDER: COMPLETE THIS SECTION** COMPLETE THIS SECTION ON DELIVERY ■ Complete items 1, 2, and 3, Also complete A. Signature item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. R. Rangivad by Printed Names C Date of Delivery Hunter M. Bennett □ Yes dress different from item 1? □ No John Brannon Bennett Heirs delivery address below: P O Box 166 Weston, WV 26452 3. Service Type Certified Mail ☐ Express Mail Registered □ Return Receipt for Merchandise ☐ Insured Mail □ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes 2. Article Number 7007 0220 0000 0375 3952 (Transfer from service label) PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

The state of the s	Control Serve This
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you.	A. Signature X Agent Addressee B. Received by (Printed Name) C. Date of Delivery
	B. Received by (Printed Name) C. Date of Delivery
Coastal Lumber Company P O Box 797 Buckhannon, WV 26201	idress different from item 1? ☐ Yes r delivery address below: ☐ No
	·
·	3. Service Type Certified Mail Registered Return Receipt for Merchandise C.O.D.
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label) [[[[]]]] 7 [] []	7 0220 0000 0375 3990
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540





west virginia department of environmental protection

Oil and Gas Conservation Commission 601 57th Street, SE Charleston, WV 25304 (304)926-0499, Ext 1656 Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

July 3, 2008

The Herald Record 202 E Main Street West Union, WV 26456

RE: Class 11 - Legal Advertisement

Dear Sir:

Please print the enclosed Notice of Hearing as a Class 11 legal advertisement in the Herald Record, twice prior to July 17, 2008 and send affidavit of publication and invoice to me at the address above.

If you should have any questions, please call me at 304-926-0499 ext. 1656

Sincerely

Cindy Raines

Exe. Secretary

encl:

From:

Cindy Raines

To:

legals@exponent-telegram.com

Date:

7/3/2008 9:33:10 AM

Subject:

Legal Ad

Harrison County Bocket 191-179

Please print the attached as Class II legal ad twice prior to July 17 and confirm receipt of this email request.

Thank you, Cindy Raines Oil and Gas Conservation Commission 601 57th Street, SE Charleston, WV 25304 304-926-0499 Ext 1656



Trust is our greatest resource:

March 29, 2008

WV DEP Office of Oil and Gas Attn: Cindy Raines 601 57th Street Charleston, WV 25304



Dear Cindy,

We are sending you the enclosed documents to add to the following permit packages that have already been permitted with the WV DEP. We would like to have these well locations modified and permitted as deep wells. Enclosed are revised WW2B forms and mylar sheets for each well location.

Please be advised that we are hereby requesting a hearing with the commissioners in order to be able to drill the following well sites as deep wells. The following well locations are what we are requesting a hearing for:

- * Ballouz No. 2
- * B. Coffman No. 2
- * Frum No. 1
- * Tate No. 2 (revised)
- * Van Scoy No. 1
- * Shaughnessy No. 1
- * Chess No. 1
- * Underwood No. 2
- * Chess No. 2
- * Cowgill No. 1
- * Hurst No. 1
- * Starkey No. 1
- * Davis No. 1
- * Newlon No. 1
- * Newlon No. 2

Also enclosed is check no. 013137 in the amount of \$3,750.00 for the extra amount due for deep well permit fees. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,

Annalisa Dobbins

Administrative Assistant

Enclosures:

Request for Hearing and

WW2B sheets & mylar sheets for

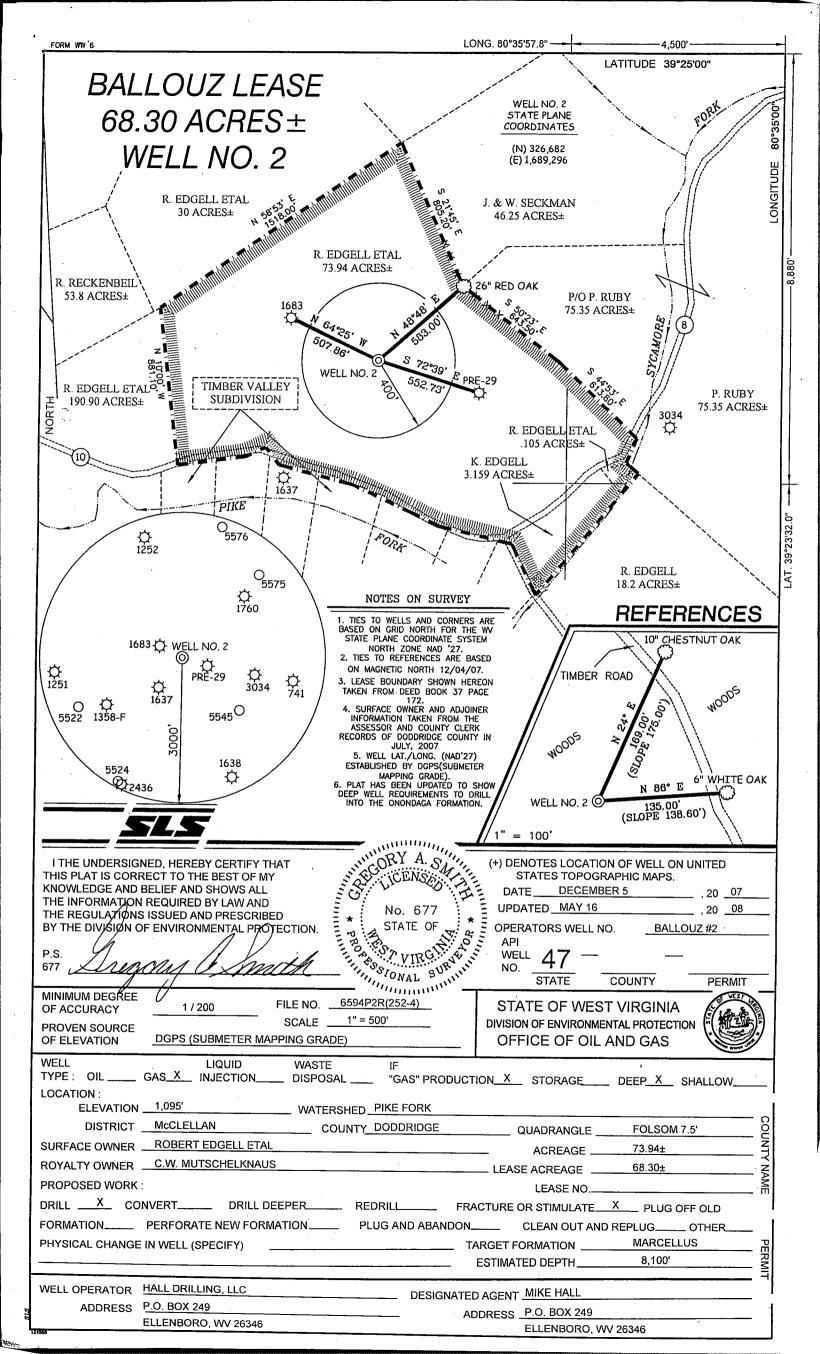
15 well locations

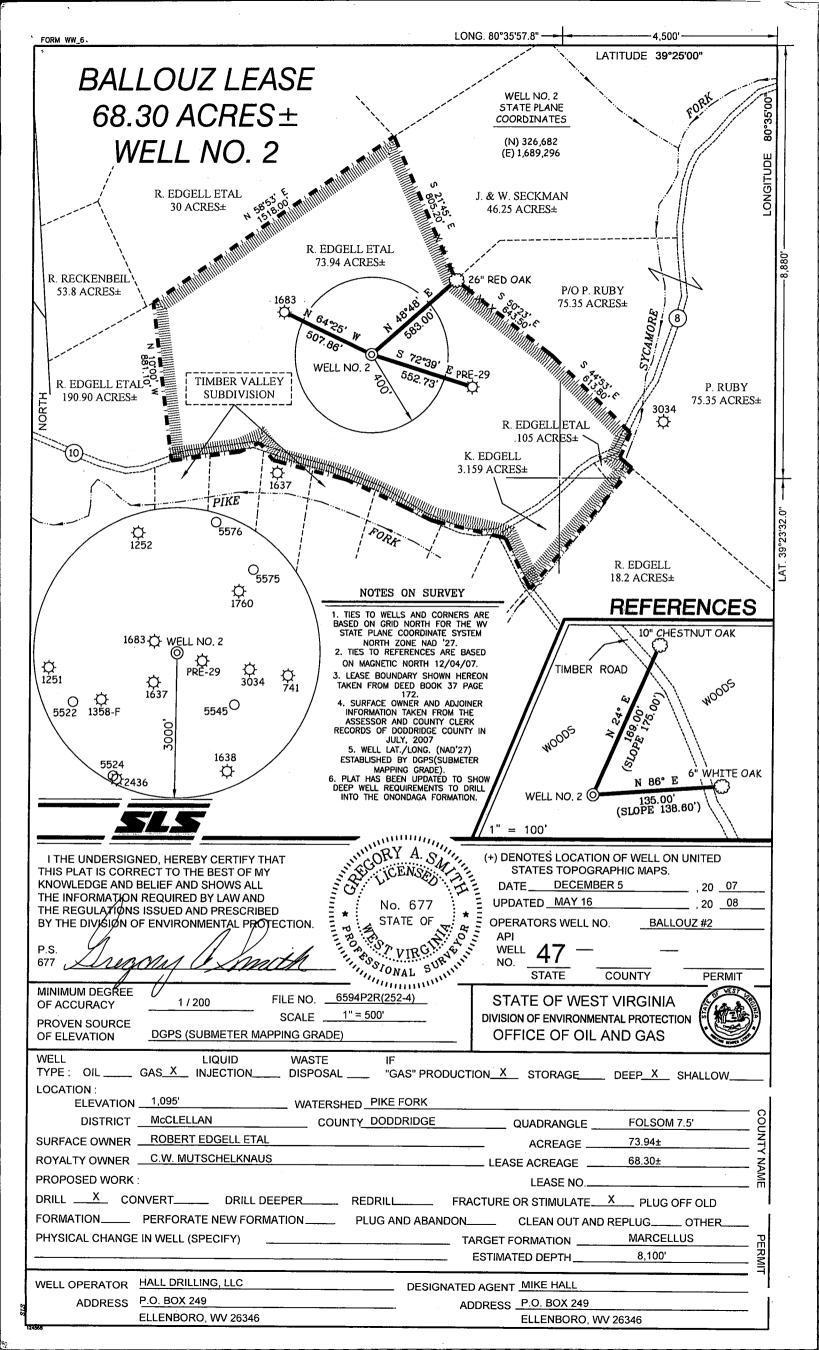


Form: WW - 2B **STATE OF WEST VIRGINIA** DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS **WELL WORK PERMIT APPLICATION** 349 1)Well Operator Hall Drilling, LLC **Doddridge** McClellan **Folsom** 7.5 Operator County District Quadrangle 2) Operators Well Number: Ballouz No. 2 3) Elevation: 1095 4) Well Type: (a) Oil or Gas (b) If Gas: Production / Underground Storage / Shallow 5) Proposed Target Formation(s): 1 Page 1/45 6) Proposed Total Depth (100 ' Feet 7) Approximate fresh water strata depths: 80' 8) Approximate salt water depths: None 9) Approximate coal seam depths: 378; 10) Does land contain coal seams tributary to active mine? No 11) Describe proposed well work To Drill and Stimulate a New Well 12) **CASING AND TUBING PROGRAM SPECIFICATIONS** FOOTAGE INTERVALS **CEMENT** Size Grade Weight per <u>For</u> Left in Fill -up (Cu. Ft.) Well **Drilling** Conductor 13 3/8 4 2501 C15 2501 CTS Fresh Water 1095 1095 Coal Intermediate 7 11 29001 2900' 4 1/2" By Rule 35 CSR **Production** 1 6018 8100 4-11.1 **Tubing** Liners RECEIVED Packers: Kind Office of Oil & Gas **Sizes** MAR 13 2008 **Depths Set** WV Department of

Feb 29 20 Protection

(New York Co.)







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

April 04, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705627, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: BALLOUZ 2

Farm Name: EDGELL, ROBERT

API Well Number: 47-1705627

Permit Type: New Well Date Issued: 04/04/2008

Promoting a healthy environment.

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i)Well Operato	or Hall	Drilling,	LLC		Doddridge	McClellan	349 Fols 7.5
				Operator ID	County	District	Quadra
) Operators V	Vell Num	ber: <u>Ba</u>	allouz No. 2		3) Elevatio	on: <u>1095'</u>	-
	o) If Gas:	Produ Deep	ction <u>X</u> / L	Shallow	Storage		
) Proposed To	otal Dept e fresh w	th: <i><u>780</u>€</i> vater stra	ta depths:	80'		-	
) Approximat	e coal se	eam dept		378;	? <u>No</u>		
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TYPE S Conductor Fresh Water	Size	<u>CA</u>	SING AND TU	BING PROGI FOOTAGE For Drilling	RAM INTERVALS Left in Well	Fill -up (Cu.	Ft.)
TYPE S Conductor Fresh Water Coal	Size	<u>CA</u>	SING AND TU	BING PROGI FOOTAGE For Drilling 2501	RAM INTERVALS Left in Well 2.50 / 1095'	Fill -up (Cu.	Ft.)
TYPE S Conductor Fresh Water Coal Intermediate	Size 13 3/8 4 9 5/8 4	<u>CA</u>	SING AND TU	BING PROGI FOOTAGE For Drilling	RAM INTERVALS Left in Well	CEMEIFILL -up (Cu.	Ft.)
TYPE S Conductor Fresh Water Coal Intermediate Production	Size 13 3/8 4 9 5/8 4	<u>CA</u>	SING AND TU Weight per ft	BING PROGI FOOTAGE For Drilling 250' 1095'	RAM INTERVALS Left in Well 250/ 1095'	Fill -up (Cu. CTS CTS Sykulu 25 G By Rule 35 C	Ft.)
TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners	Size 13 3/8 4 9 5/8 4	<u>CA</u>	SING AND TU Weight per ft	BING PROGI FOOTAGE For Drilling 250' 1095'	RAM INTERVALS Left in Well 250/ 1095'	Fill -up (Cu. C/S CTS Sy Keele 25 C 4-11.1	Ft.)

Out Buller WV Department of Feb 29 20 Provincental Protection (12/18/10)

WW2-A Revised 8/02

Address

4) Surface Owner(s) to be served:

Route 2 Box 335

(a) Name Robert Edgell

1) Date: <u>December</u> 10, 2007

2) Operator's Well Number: Ballouz No. 2

3) API Well No.: 47 -

5) (a) Coal Operator

017 - 05627

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Name

Address

(b) Name Address (c) Coal Lessee with Declaration Name Address Salem, W 26426 Address Salem, W 26426 Address Telephone TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT: Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through on the above named parties by: Personal Service (Affidavit attached) X Certified Mail (Postmarked postal receipt attached) Publication (Notice of Publication attached) I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. Well Operator By: Well Operator By: Addressic. Well Operator By: Addressic. Mike Itall Notary Public Notary Public Notary Public		Salem, WV	26426		
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Address Route 2 Box 135 Salem, WV 26426 Telephone 304-552-3874 TO THE PERSONS NAMED ABOVE TAKE NOTICE THAT: Included is the lease or leases or other continuing contract or contracts by which I hold the right to extract oil and gas OR Included is the information required by Chapter 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2) I certify that as required under Chapter 22-6 of the West Virginia Code I have served copies of this notice and application, a location plat, and accompanying documents pages 1 through on the above named parties by: Personal Service (Affidavit attached) X Certified Mail (Postmarked postal receipt attached) Publication (Notice of Publication attached) I have read and understand Chapter 22-6 and 35 CSR 4, and I agree to the terms and conditions of any permit issued under this application. I certify under penalty of law that I have personally examined and am familiar with the information submitted on this application form and all attachments, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. Well Operator By: Mike Hall Pesignated Agent Office of Oil & Gas AGGRESSIA (A) (B) (B) (B) (B) (B) (B) (B) (B) (B) (B	• •		· · · · · · · · · · · · · · · · · · ·	Address	
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Form WW-2A-1 (8/02)

Operator's Well Number Ballouz No. 2

17-05627

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

•	·		•	
Grantor, lessor, etc.	Grantee, lessee, etc.	1	Royalty	Book/Page
C.W. Mutschelknaus	Bluestone Energy Partners		1/8 th	
Bluestone Energy Partners	Hall Drilling, LLC		W.I	219/506

Well Operator:

By:

Its:

Hall Drilling, Ll

Mike Hall

Designated Agent

Office of Oil & Gas

MAR 13 2008

FORM WW2-B1

	17-05627
Well No	Ballouz No. 2

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	_ Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's pr	ivate
	laboratory	
	Well Operator	Hall Drilling, LLC
	Address	P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405
	L	

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

MAR 13 2008

Ballouz No. 2

WV Department of Environmental Protection

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



OPERATOR: Hall Drilling

ENVIROMENTAL DIVISION

MAR 1 3 2008

WV Department of Environmental Protection

P.O. BOX 150, GLENVILLE, WV 26351

(304) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

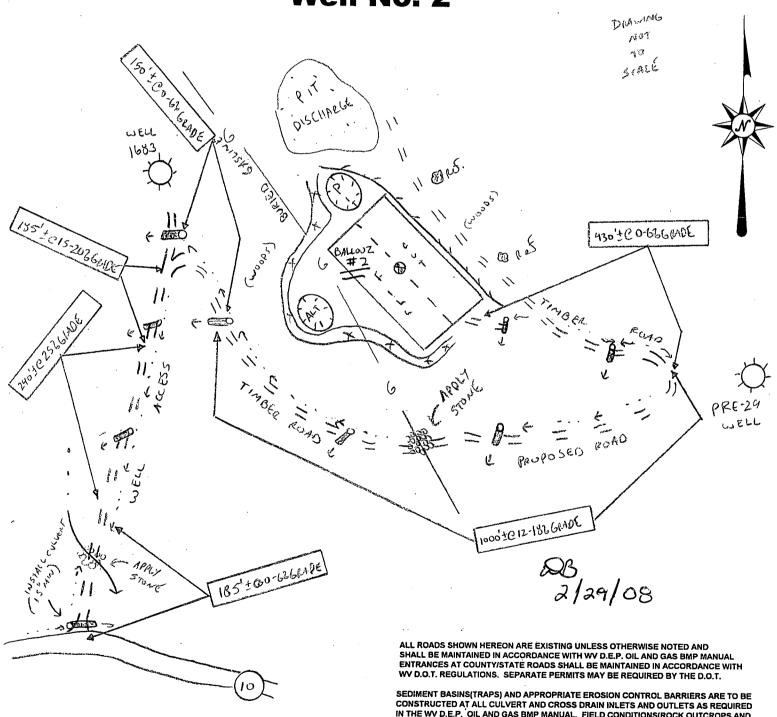
LEASE NAME AND NUMBER	R: Ballouz #2		
	СОММЕ	NTS	
The initial mapping review of the listed surface owner(s) that were Consumption or other purposes landowners have been notified of necessary. *Please note that the following inform	e potentially utilizing within 1000' of the of the opportunity to	ng groundwater (potable proposed well site. The o request a water sample) for Human following
INDIV	IDUAL CONTAC	TED OR NOTIFIED	
Owner/Occupant: Robert and	Kevin Edgell		
Address: Rt. 2 Box 335 Salem,	VV 26426	Letter/Notice Date:	1/24/08
Comments:			
Owner/Occupant:			
Address:		Letter/Notice Date:_	
Comments:			
Owner/Occupant:	· · · · · · · · · · · · · · · · · · ·		
		Letter/Notice Date:	
Comments:	· · · · · · · · · · · · · · · · · · ·	Letter/Notice Date	
Owner/Occupant:			
Address:		Letter/Notice Date:	
Comments:			
Owner/Occupant:	:		
Address:		Letter/Notice Date:	
Comments:	· · · · · · · · · · · · · · · · · · ·		
			FEC PA
6594.potential.Hall.Ballouz2			Office of Oil &

17-05627

Form WW-9

Ballouz Lease Well No. 2

5 of 7 page



SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WY D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED.

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO PERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

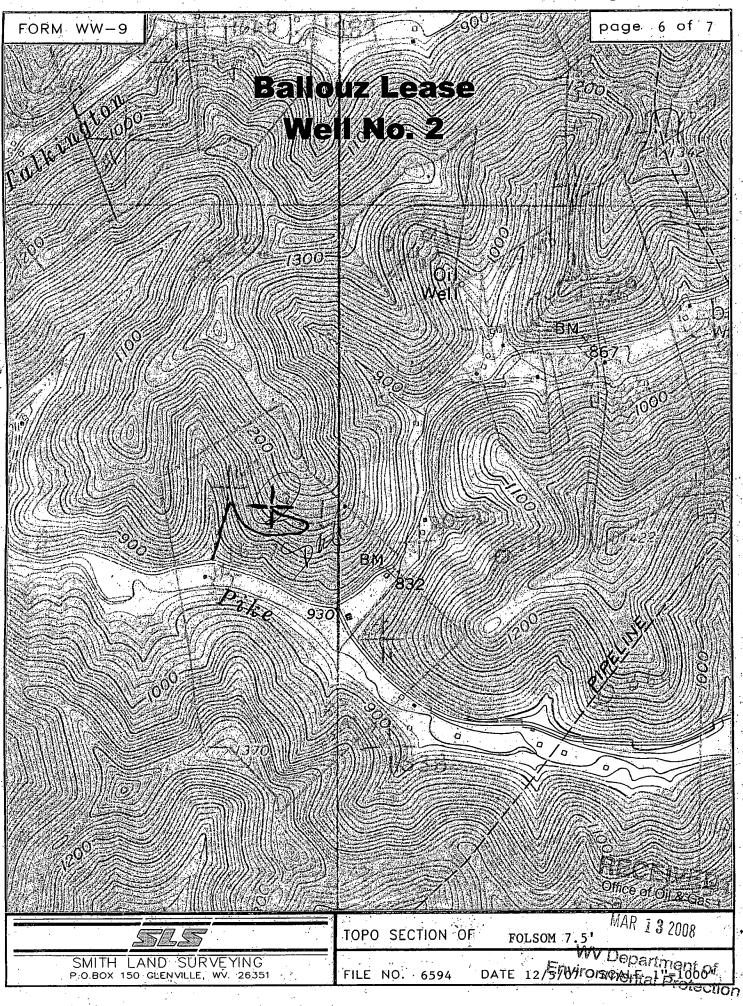
CUT & STACK ALL MARKETABLE TIMBER.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROLLY DEPARTMENT OF Phone (304) 462-5656 or

SMITH LAND SURVEYING, INC. P.O. BOX 150, GLENVILLE, WV 26351

DATE 12/5/07 FILE NO. 6594 DRAWN BY C.P.M.



FUK	M	W	W	-5
Rev.	02	/0:	3	

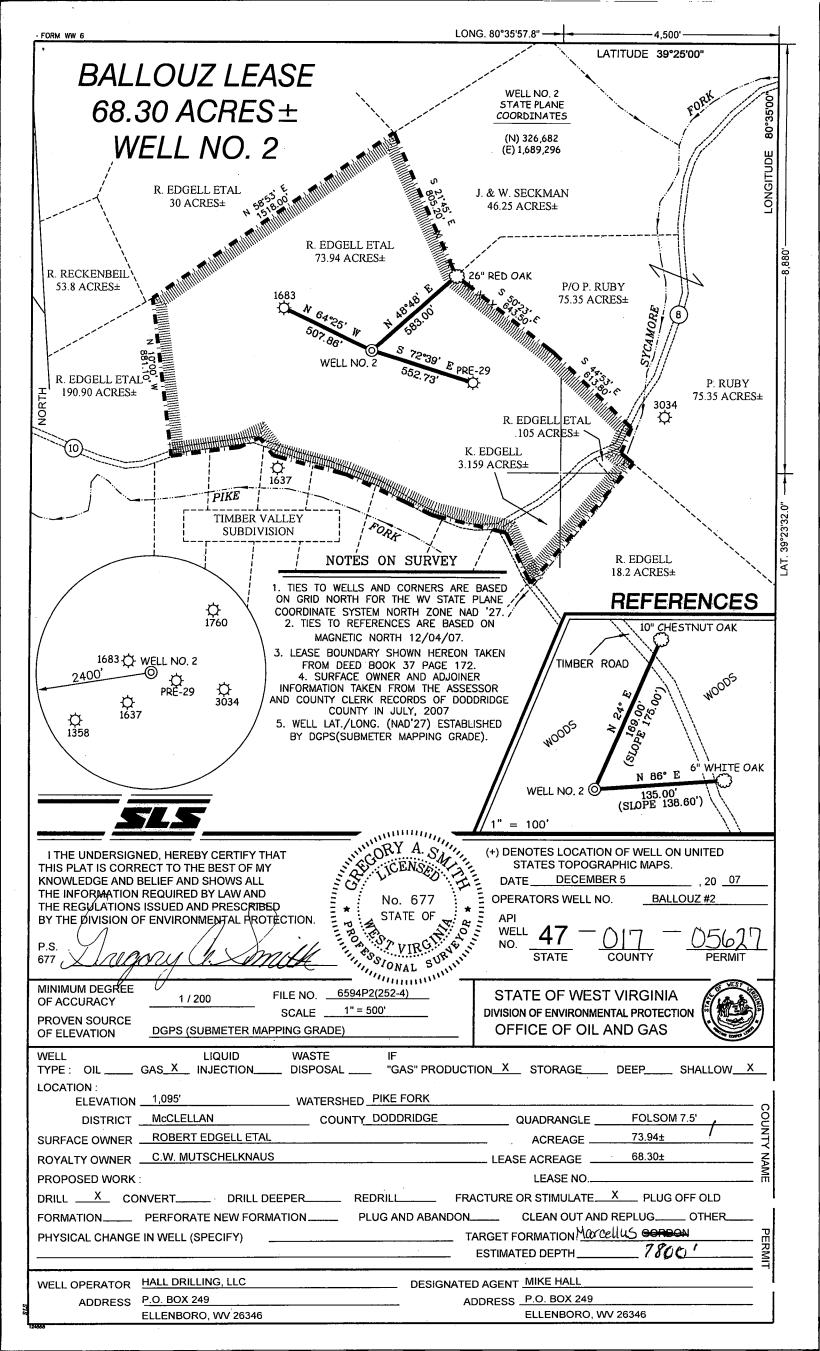
	Page	4	of	<u>7</u>
API Number 47 -	_0	17 -	056	$a \gamma$
Operator's Well N	o. <u>B</u>	allouz l	No. 2	

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name _Hall Drilling, LLC		OP Code
Watershed Pike Fork	Quadrangle _	Folsom 7.5'
Elevation 1095' Cour	nty <u>Doddridge</u>	District McClellan
Description of anticipated Pit Waste:Drill Wa	ater, Frac Blow Back & Various	Formation Cuttings
Will a synthetic liner be used in the pit?Yes	·	
Reuse (at API Number	(UIC Permit Number)
Proposed Work For Which Pit Will Be Used: Drilling Workover Other (Explain	X Swabbing Plugging	
December 31, 1999, by the Office of Oil and Gaprovisions of the permit are enforceable by law. You regulation can lead to enforcement action. I certify under penalty of law that I has application form and all attachments thereto and the second contents.	s of the West Virginia Division Violations of any term or condition we personally examined and are that, based on my inquiry of those true, accurate, and complete.	NERAL WATER POLLUTION PERMIT issued on of Environmental Protection. I understand that the on of the general permit and/or other applicable law in familiar with the information submitted on this is individuals immediately responsible for obtaining I am aware that there are significant penalties for

WV Department of

MAR 13 2008



Form	\wedge	
Operator:	HALL DRILLIN	IG, LLC
API:	1705627	
WELL No:	BALLOUZ 2	
Reviewed by:	30	Date: 3-29-04
Due Date:	3/31	

CHECKLIST FOR FILING A PERMIT

	New Well
1	WW-2B
	Inspector signature on WW-2B
	WW-2A (Notarized)
	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
	Surface Owner Waiver
Ф	Coal Owner / Lessee /Operator Waiver
中	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
T	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
	WW-9 (Page 1 & 2) (Notarized)
X	Inspector Signature on WW-9
	Reclamation plan
\Box	Topographic Map of location of well
	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
\mathbb{Z}	Company is Registered with the SOS
	Worker's Compensation / Unemployment Insurance account is OK
∇	\$650.00 check (\$550.00 if no pit)

BLUESTONE ENERGY PARTNERS

Trust is our greatest resource:

March 12, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304 Office of Oil & Gas

MAR 13 2003

WV Department of
Environmental Protection

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Ballouz No. 2

Also enclosed is check no 012698 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,

Annalisa Dobbins

Administrative Assistant

Anualisa Dolleys)

Enclosures: Well package for Ballouz No. 2

Check No. 012698-\$650.00

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County	Doddridge	Operator	Hall Drilling, LLC
	, 3	Operator well number	Ballouz No. 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas Department of Environmental Protection 601 57th St. SE Charleston, Wv 25304 (304) 926-0450

<u>Time Limits and methods for filing comments.</u> The law requires these materials to be served on or before the date the operator files his Application. You have **FIFTEEN (15) DAYS** after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.

2) The soil erosion and sediment control plan is not adequate or effective;

3) Damage would occur to publicly owned lands or resources;

The proposed well work fails to protect fresh water sources or supplies;

5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

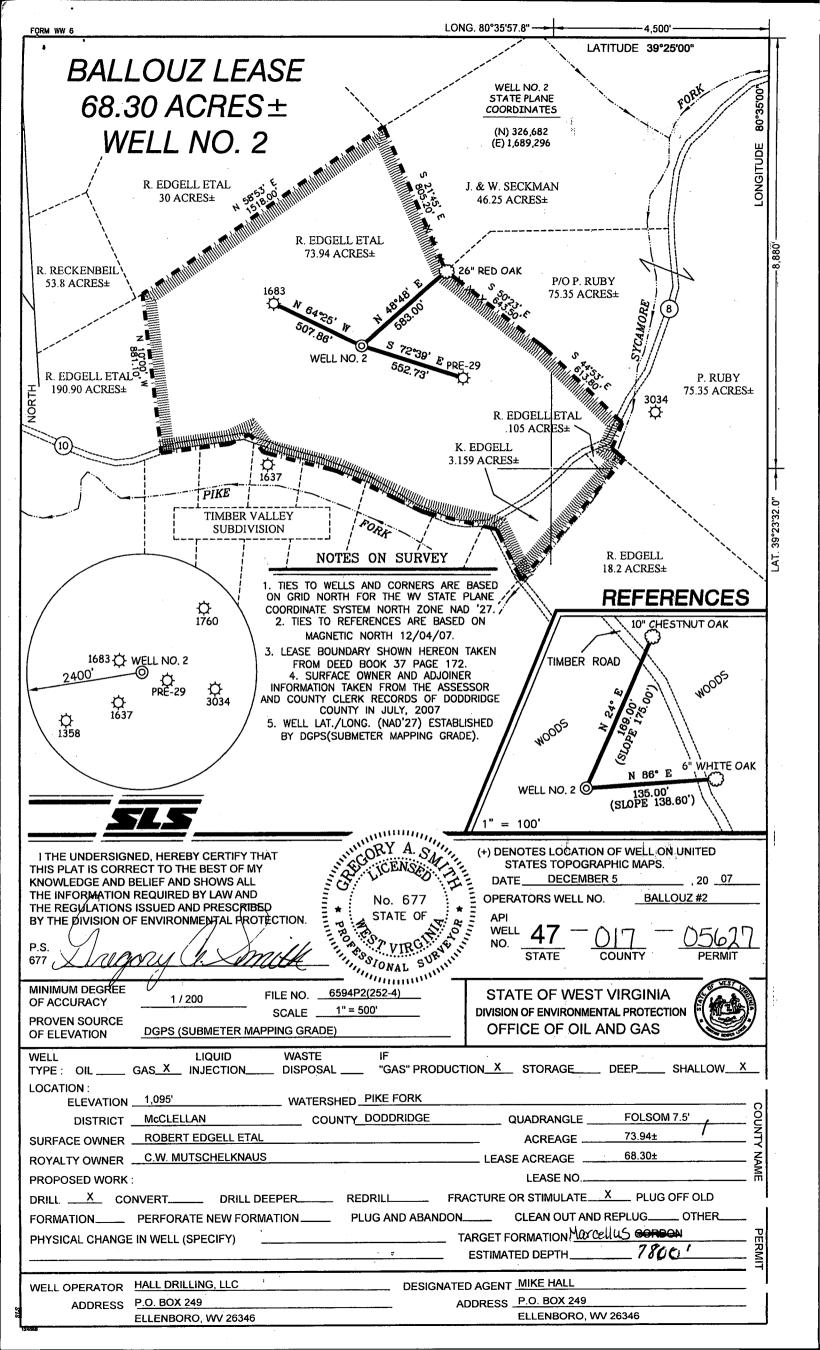
<u>List of Water Testing Laboratories.</u> The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

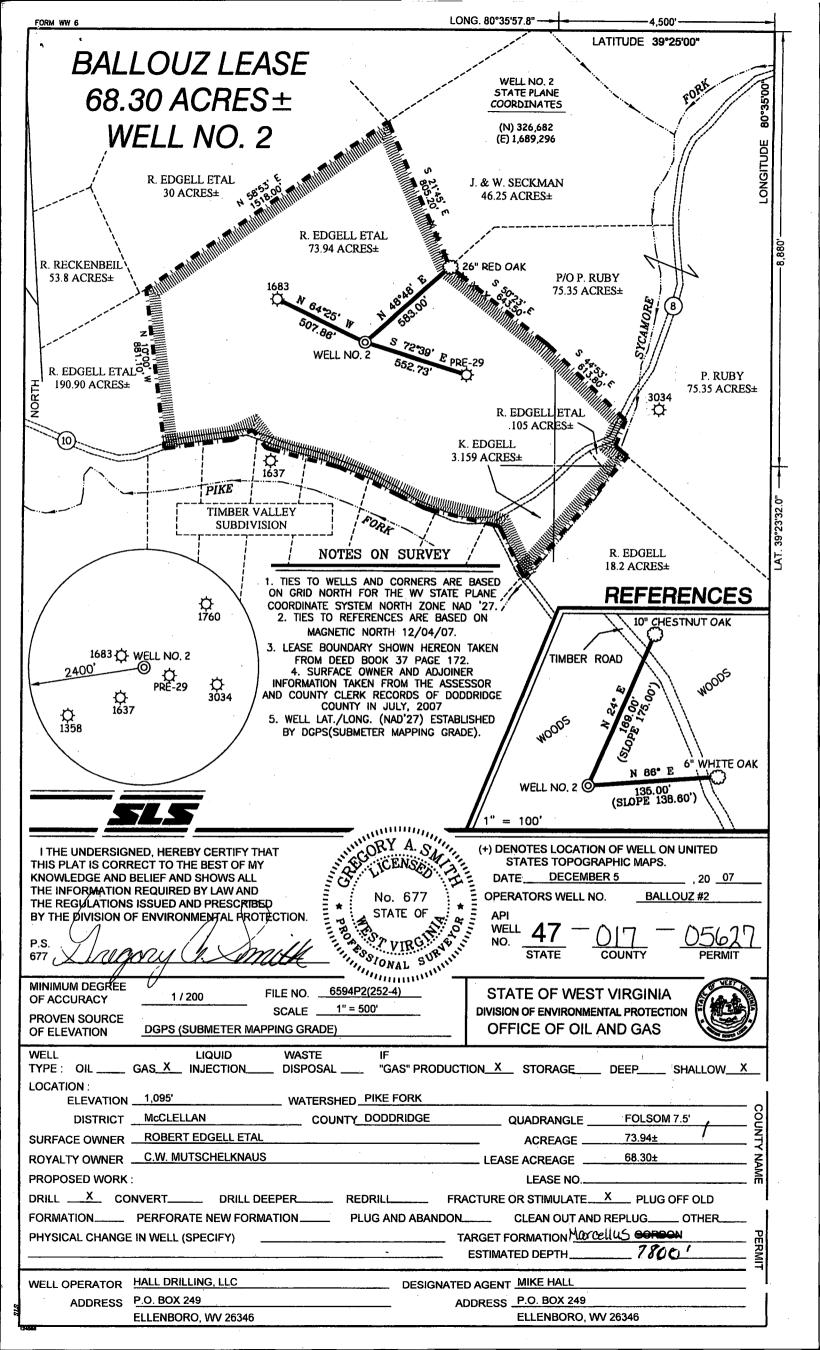
VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ____ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

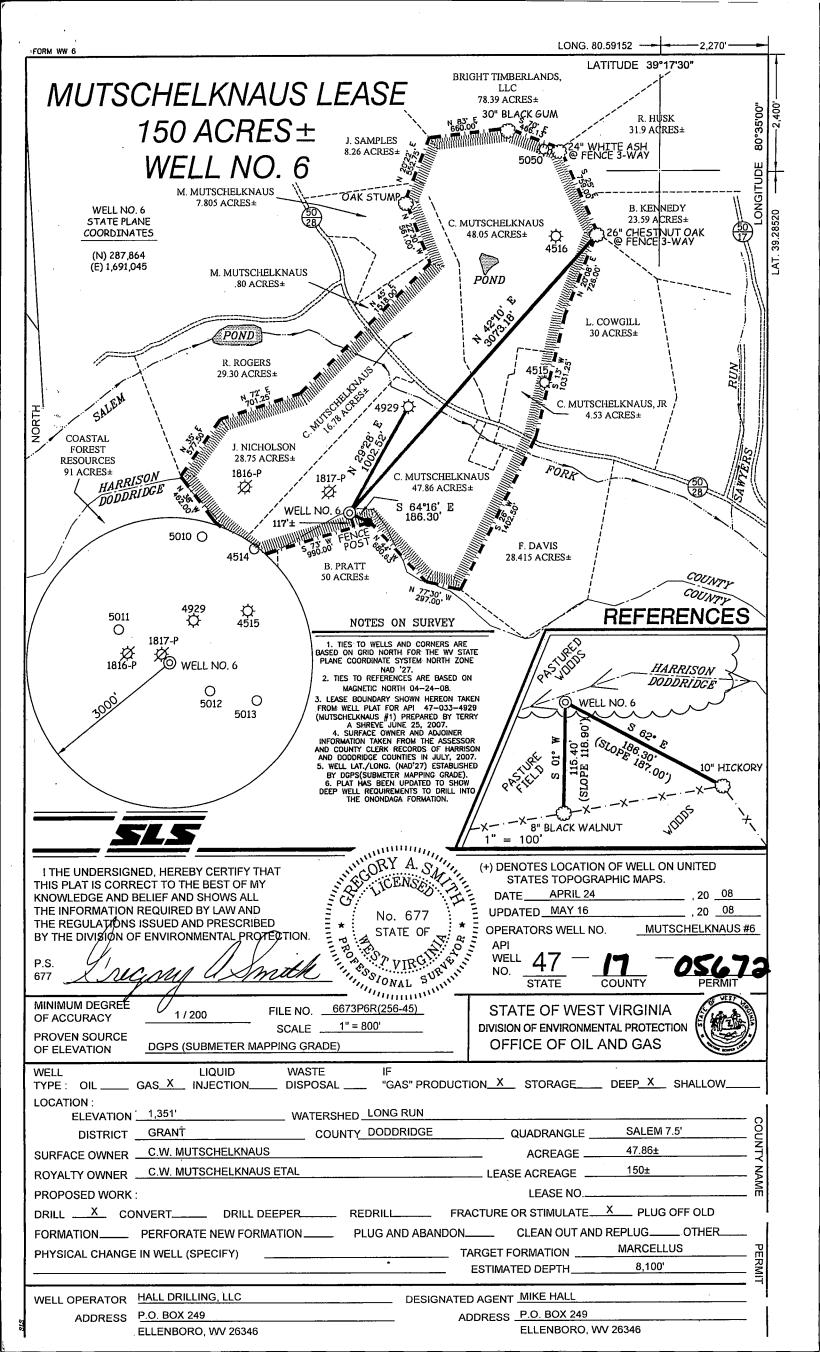
I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

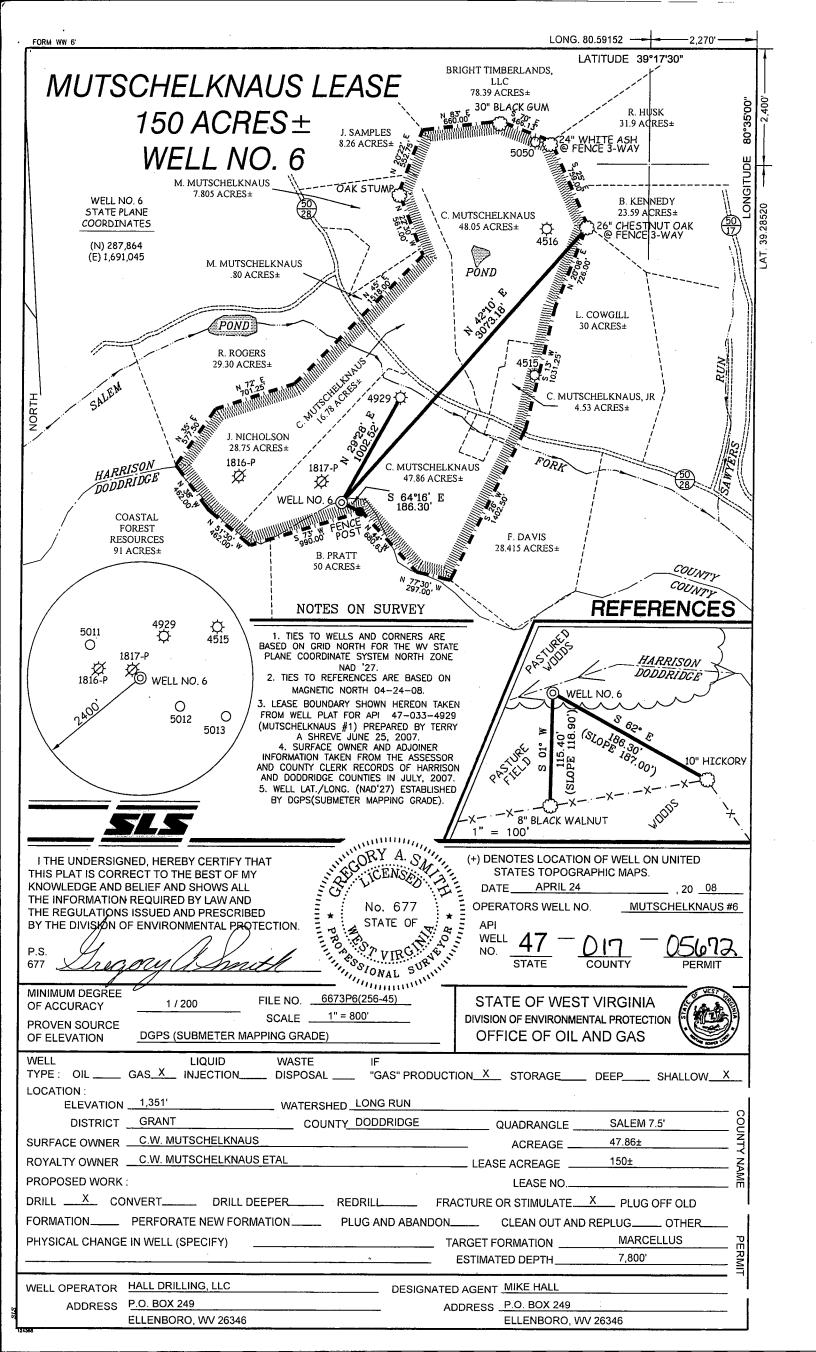
FOR EXECUTION BY A NATURAL PER	RSON	FOR EXECUTION BY A CORPORATION, ETC.
Louis Edell	Date : 3 -//- 08 Name	
Signature	By /Its	Office of Oil & Cas Date
Koled Delge	_Date: 3-11-08	Omice-or 2 2008
Signature		Signature Date
Version Varner	_Date: 3/1/08	Signature WV Department of Pate WV Department of Pate





Form: WW - 2	В		CTATE OF	MESTAGO		· //	705672
DEPA	RTMEN	Γ OF EN\	STATE OF VIRONMENTAL	WEST VIRGI			
		<u>N</u>	ELL WORK P	ERMIT APPLI	CATION	OI OIL AIN	
					17	3:	596
1)Well Operate	or <u>Hall</u>	Drilling,	LLC		Doddridge	Grant	Salem 7.5'
				Operator ID	County	District	Quadrangle
2) Operators V				<u>s No. 6</u> 3) Elevat	ion: <u>13</u>	<u>51'</u>
4) Well Type: (a) Oil o) If Gas	: Produ	uction <u>X</u> /	Underground	Storage		
		Deep	<u> </u>	Shallow			· · · · · · · · · · · · · · · · · · ·
5) Proposed To 6) Proposed To 7) Approximate	otal Dep	th: <u><i>81</i>00</u>	eet				
7) Approximate 8) Approximate	e iresn v e ealt wa	vater stra ter dent	ata depths:	95' n'			
9) Approximate					 ·		
10) Does land					? No		
11) Describe p	roposed	well wo	rk <u>To Drill</u>	and Stimulate	e a New Wel	1	
							
		· · · · · · · · · · · · · · · · · · ·					
12) TYPE S	PECIFIC	<u>CA</u> ATIONS	SING AND TU	BING PROGR FOOTAGE	AM INTERVAL	S CEI	MENT
	Size	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)
Conductor	95/8"		22#	650	450	ers	T.B.
Fresh Water	<i>:</i>						
Coal							
Intermediate	711		16 #	2900'	2900'	e 75	
Production	4 1/2"		100	32700	<u> </u>	By Rule 3	5 CSR
Froduction		· · · · · · · · · · · · · · · · · · ·	11.60 #	8100'	81001	4-11.1	
Tubing			,				
Liners							
	nd						Oil & Gas
	zes						
_	pths Se					JUN (0 2 2008
OK	0131	76	9 W = 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2			WV Depa	intment of
	\$ 75	10	•		En		al Protection
	\$ 75	50)	•	·	·		





FORM WW-9 Rev. 02/03

My commission expires_

Pa	ge 4	of	7
API Number 47 -	7	05	GC JK
Operator's Well No.	Muts	chelkna	us No. 6

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name <u>Hall Drilling, LLC</u>	OP Code
Watershed Long Run	Quadrangle Salem 7.5'
Elevation 1351' County Doddridge	District Grant
Description of anticipated Pit Waste:Drill Water, Frac Blow Bac	k & Various Formation Cuttings
Will a synthetic liner be used in the pit? Yes.	
Proposed Disposal Method For Treated Pit Wastes: X Land Application Underground Injection (UIC Permit Num	ber)
Reuse (at API Number Off Site Disposal (Supply form WW-9 for Other (Explain	disposal location)
Proposed Work For Which Pit Will Be Used: X Drilling X Swabl Workover Plugg Other (Explain	
December 31, 1999, by the Office of Oil and Gas of the West Virg provisions of the permit are enforceable by law. Violations of any te or regulation can lead to enforcement action.	mined and am familiar with the information submitted on this equiry of those individuals immediately responsible for obtaining d complete. I am aware that there are significant penalties for
Company Official Signature	- Cariffornia de la companya della companya de la companya della c
Company Official (Typed Name) <u>Mike Hall</u>	
Company Official Title <u>Designated Agent</u>	
Subscribed and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 29 day of a solution of the same and sworn before me this 20 day of the same and sworn before me the	, 20 08 Notary Public

4/18/2011

1		
HALL DRILLING, I	LC	
1705672		
MUTSCHELKNAU	S 6	
<u>La</u>	Date: _	5-8-08
	÷	
	1705672	HALL DRILLING, LLC 1705672 MUTSCHELKNAUS 6

CHECKLIST FOR FILING A PERMIT

New Well

ょ	
	WW-2B
\square	Inspector signature on WW-2B
	WW-2A (Notarized)
	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
\square	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
	WW-9 (Page 1 & 2) (Notarized)
\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Inspector Signature on WW-9
	Reclamation plan
	Topographic Map of location of well
	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
	Company is Registered with the SOS
	Worker's Compensation / Unemployment Insurance account is OK
	\$650.00 check (\$550.00 if no pit)

05/05/2008 12:21 3047829855 A5/A5/2008 10:47 3048693480

MUTSCHELKNAUS HALL DRILLING LLC

PAGE 01/01

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County

Doddridge

Operator

Operator well number

Hall Drilling, LLC

Mutschelknaus No. 6

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Gode. Well work permits are valid for 24 months, if you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Department of Environmental Protection

601 57th St. SE

Charleston, Wv 25304

(304) 926-0450

Time Limits and methods for filling comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to can the omers omice to be sure of the date. Oneck with your posthaster to ensure adequate delivery time of to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- The proposed well work will constitute a hazard to the safety of persons. 1)
- The soil erosion and sediment control plan is not adequate or effective; 2) 3)

Damage would occur to publicly owned lands or resources;

The proposed well work falls to protect fresh water sources or supplies;

The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has falled to abate or seek review of the

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

Claren W Matshellman Date 5/5/08	FOR EXECUTION BY A CORPORATION, ETC.
Mary Toutskelfrans	Ву
J S D Mario S 100 S 17	Its Date Signature Date

BLUESTONE ENERGY PARTNERS

Trust is our greatest resource:

May 5, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304



Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Mutschelknaus No. 6

Also enclosed is check no. 012999 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,

Annalisa Dobbins

Administrative Assistant

Enclosures: Well package for Mutschelknaus No. 6

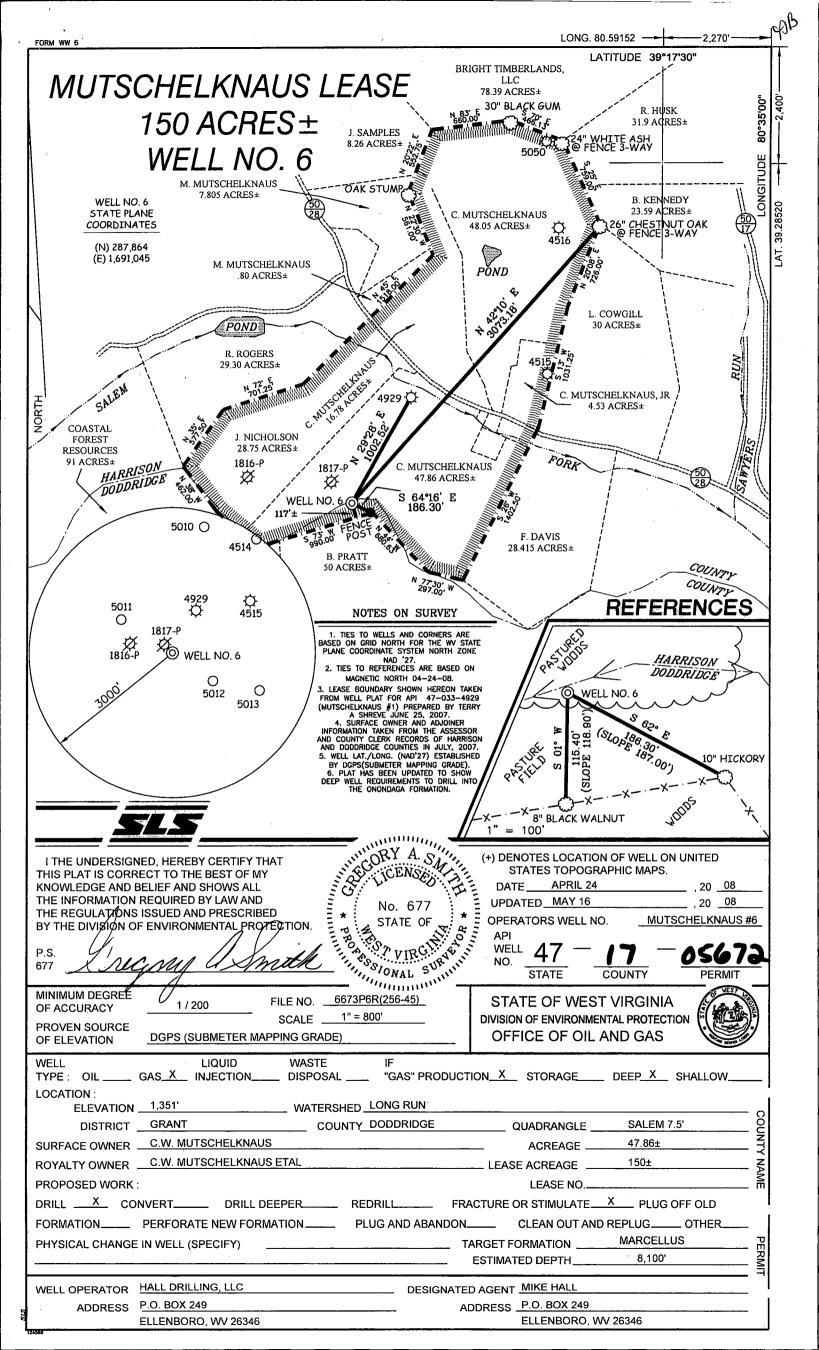
Check No. 012999- \$650.00

Office of Oil 8. Gas

MAY 0. 6. 2008

MAY 0. 6. 2008

Environmental Protection





Trust is our greatest resource:

March 29, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documents to add to the following permit packages that we have already submitted to the WV DEP. We would like to have them be permitted as deep wells. Enclosed is a revised WW2B and mylar sheet for each well location. Please be advised that we are hereby requesting a hearing in front of the commissioners in order to be able to drill the following well sites as deep wells.

5100

- Harbert No. 1 33-0 50=7
- Mutschelknaus No. 6
- J. L. Cottrill No. 1

Also enclosed is check no. 013136 in the amount of \$700.00 for the extra amount due for deep well permit fees. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,

Annalisa Dobbins

Administrative Assistant

RECEIVED

Office of Oil & Gas

JUN 02 2008

WV Department of **Environmental Protection**

Enclosures: Request for Hearing and

WW2B sheets & mylar sheets for

Mutschelknaus No. 6, Harbert No. 1, J. L. Cottrill No. 1



west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Randy C. Huffman, Cabinet Secretary www.wvdep.org

May 09, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705672, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: MUTSCHELKNAUS 6

Farm Name: MUTSCHELKNAUS, C. W.

API Well Number: 47-1705672

Permit Type: New Well
Date Issued: 05/09/2008

Promoting a healthy environment.

Form: WW - 2B STATE OF WES			DE OUL AN	17.05672
<u>DEPARTMENT OF ENVIRONMENTAL PR</u> WELL WORK PERN			JF UIL AN	D GAS
WELL WORK FERI	III AFFLIC	<u> </u>	3	596
1)Well Operator Hall Drilling, LLC		Doddridge	Grant	Salem 7.5'
Than Drining, 220	Operator ID	County	District	Quadrangle
2) Operators Well Number: <u>Mutschelknaus No</u>	<u>o. 6</u> 3)	Elevati	on: <u>13</u>	<u> 51'</u>
4) Well Type: (a) Oil or GasX(b) If Gas: ProductionX_/ Undo Deep/ Shal			. <u></u>	
5) Proposed Target Formation(s): Marcellus				
6) Proposed Total Depth: 7800 Feet				
7) Approximate fresh water strata depths: 95'				
8) Approximate salt water depths: 1300'				
9) Approximate coal seam depths: 65' 600'	<u> </u>	<u></u>		
10) Does land contain coal seams tributary to ac	tive mine?	No_		·
10) Boco lana contain coal coaliio inbata. y to ac				
11) Describe proposed well work	l Stimulate	a New We	11	

12) TVDE SI	DECIEIC	<u>CA</u> ATIONS	SING AND TU	BING PROGE FOOTAGE		S CEMENT
TYPE S	Size	Grade	Weight per	For Drilling	Left in Well	Fill -up (Cu. Ft.)
Conductor	95/8"		22#	650	450	ers
Fresh Water	!	į				
Coal		· · · · · ·				
Intermediate	7"		16#	2900'	29001	e 15
Production	4 1/2"		11.60 #	7800'	7775'	By Rule 35 CSR 4-11.1
Tubing					·	
liners		į				

Packers: Kind

Sizes Depths Set

1650 \$650

WW2-A	
Revised	8/02

4) Surface Owner(s) to be served:

April 28, 2008

2) Operator's Well Number: Mutschelknaus No. 6

3) API Well No.: 47 -

5) (a) Coal Operator

05672

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

(a) Name	C.W. Mutschelknaus ∀ √	_ Name	
Address	P.O. Box 351	Address	
	Salem, WV 26426		
(b) Name		(b) Coal Owne	er(s) with Declaration
Address		Name	
Address		Tra	N/A
		Address	
		_	···
(c) Name		Name	
Address		Address	and the second s
Address			
6) Inspector	Dave Belcher	(c) Coal Lesse	ee with Declaration
Address	601 57 th St. SE	Name	
Addiooo	Charleston, WV 25304	Address	
Telephone	304-926-0499		
•	TO THE PERSONS NAM	MED ABOVE TAKE	NOTICE THAT:
Included is t	he lease or leases or other continu	ing contract or contra	cts by which I hold the right to extract oil
and gas			
OR X Included is 1			O. D. C. C. C. C. C. Wood Monthly for a
X Included is 1	he information required by Chapt	er 22, Article 6, Section	on 8(d) of the Code of West Virginia (see
page 2)	bet as a series described Observer 22	C of the West Virginia	Code I have served copies of this notice
I certify t	nat as required under Chapter 22-	o of the <u>west virginia</u>	Code I have served copies of this notice
by:	a location plat, and accompanying	g documents pages 1	through on the above named parties
by.	Personal Service (Affidavit att	ached)	Fire of Contracting
X	Certified Mail (Postmarked po	stal receipt attached)	Mico L C Trans
	Personal Service (Affidavit att Certified Mail (Postmarked po Publication (Notice of Publica	tion attached)	MAY 0 6 2000
l have re	ad and understand Chapter 22-6	ind 35 CSR 4, and I a	gree to the terms and conditions of any
permit issued un	der this application.		(4.2)
I certify	under penalty of law that I have	personally examine	d and am familiar with the information
submitted on th	is application form and all attac	hments, and that ba	sed on my inquiry of those individuals
	ponsible for obtaining the infori	nation, i believe that	t the information is true, accurate and
complete.	ro that there are significant nenalt	ies for submitting fals	e information, including the possibility of
fine and impriso		ics for submitting falls	o miormation, molaumy the poecisimy et
mic and impriso	Well Operator	Hall Drilling, LLC	<u>:</u>
	NOTABY OF VIRGINIA	Mike Hall	
King	NOTIEV STATON STATE OF ENRICH	Designated Agent	
À	Address	P.O. Box 249	
	9-1	Ellenboro, WV 26346	
(/	Telephone	<u>304-869-3405</u>	
,	sworn before me day of	12 .	,
this	1	7 John	<u> 108</u>
7		2 7	Notary Public
My Commission	Expires 4//8/2011		

Form WW-2A-1 (8/02)

Operator's Well Number Mutschelknaus No. 6

17-05672

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Royalty Book/Page Grantee, lessee, etc. Grantor, lessor, etc.

C.W. Mutschelknaus et al

Bluestone Energy Partners

1/8th

1368/1149



Well Operator:

By:

Its:

Hall Drilling, LLC

Mike Hall

Designated Agent

FORM WW2-B1

Well	No.	Mutschelknaus	No.	6

West Virginia Department of Environmental Protection Office of Oil and Gas

17-05472

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

X	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's pr	rivate
	_ laboratory	
	Well Operator	Hall Drilling, LLC
	Address	P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405
	<u> </u>	

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Mutschelknaus No. 6

NOTE: There appears to be 3± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



ENVIROMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 26351

904) 462-5634 • FAX 462-5656

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR:	Hall Drilling, LLC		
LEASE NAME	AND NUMBER:	Mutschelknaus Lease Well No. 6	_

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant: Jimmy Nicholson (2 sites)	
Address: P.O. Box 63 Salem, WV 26426	Letter/Notice Date:
Comments:	
Owner/Occupant: Clarence W. Mutschelknaus	
Address: P.O. Box 351 Salem, WV 26426	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Address:	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Owner/Occupant: Address: Comments:	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Address:	Letter/Notice Date:
Comments:	

6673.potential.Hall.Mutschelknaus#6



17-05612 5 of 7 Form WW-9 ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T. **Mutschelknaus Lease** SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WY D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED Well No. 6 AS NEEDED. EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN. TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION. 175'EC 5-10261406 CUT & STACK ALL MARKETABLE TIMBER. STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL. MUTSCHELKNAUS 175'±@10-1536MDE Om . CHIM > 1875 ±0 2-826140€ 800 + @ 15-201 GRADE MUTSCHELKNAUS # 4 MUTSCHELKNAVS #3 PISCHARGE JT SCHELKAAN 250 FC 10-152614PE ₩000 500'+@2-866MDE - CULVERT TO BE INSTALLED AT A DI SCHARGE 12 INCH MINIMUM (UN LESS NOTED OTHERWISE)

SAL SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

462-5634

FILE NO. 6673

Phone (304) 462-5656 or

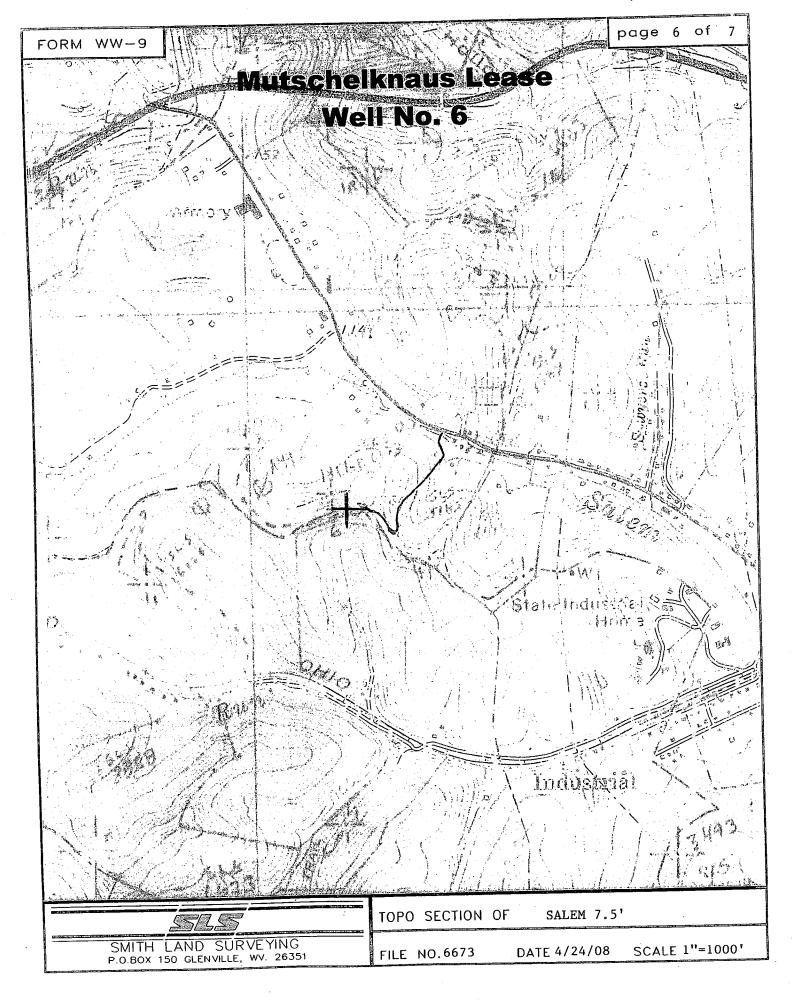
DATE 11/17/07

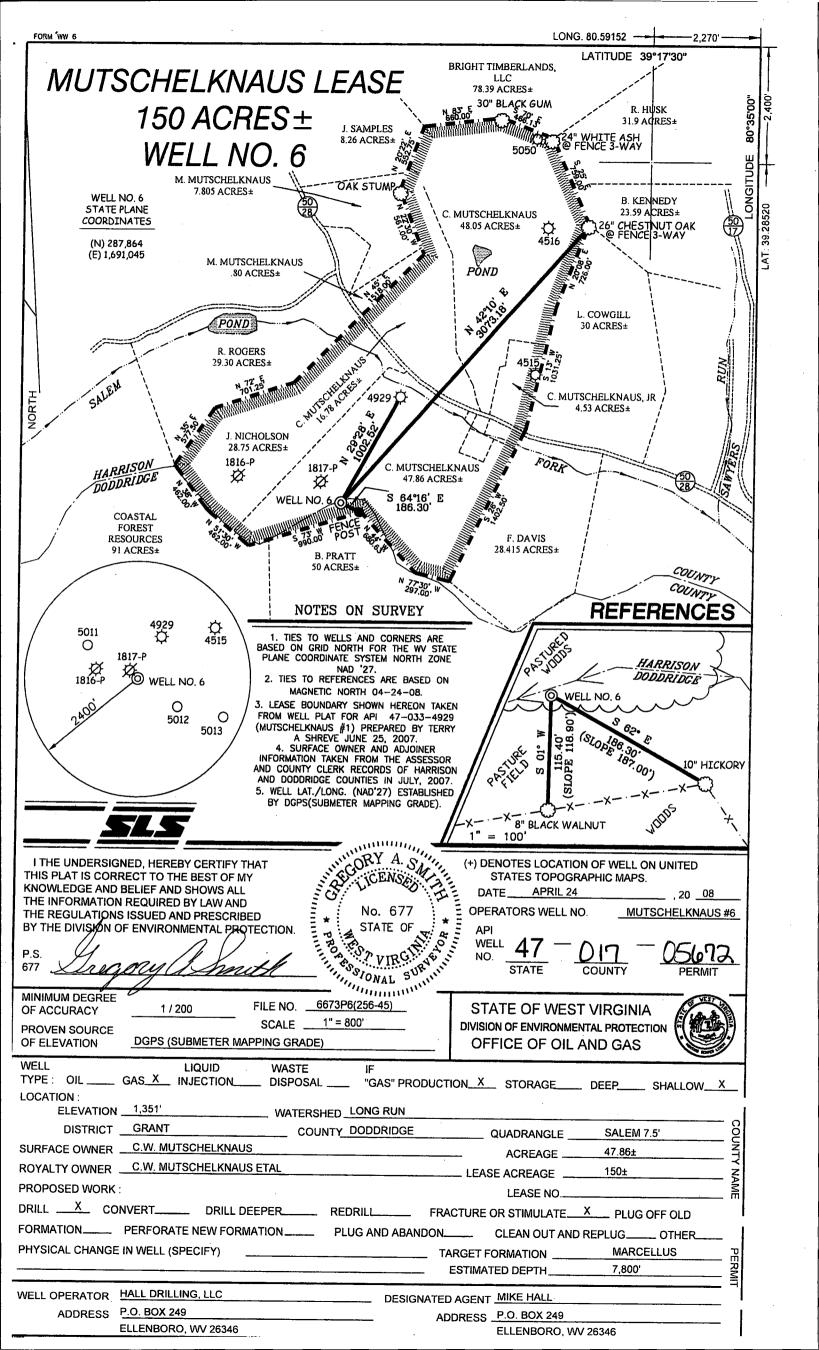
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C.P.M.

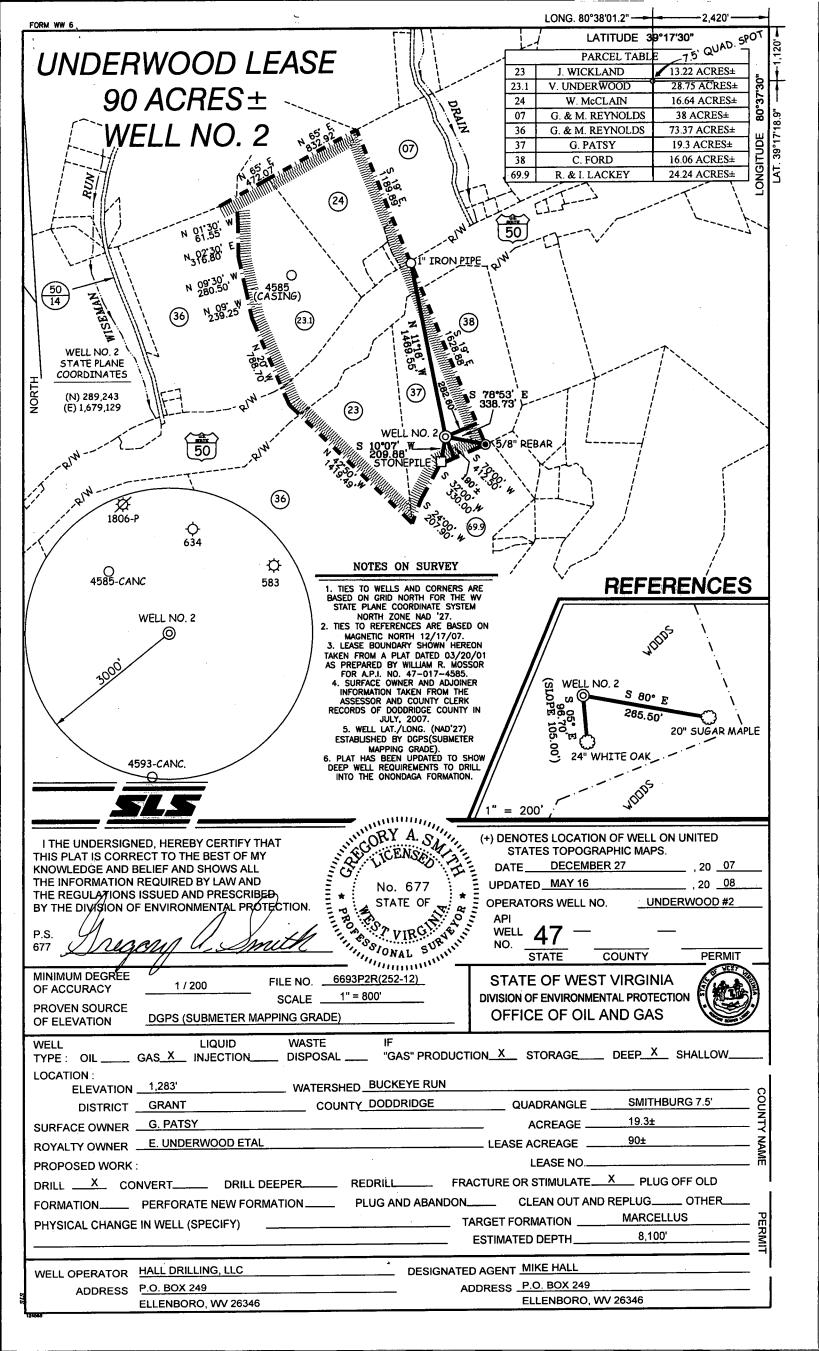
REUSED BY

DRAWN BY





Operator County District Quadric ID 2) Operators Well Number: Underwood No. 2 3) Elevation: 1283' 4) Well Type: (a) Oil or Gas X (b) If Gas: Production X / Underground Storage Deep X / Shallow 5) Proposed Target Formation(s): Marcellus 6) Proposed Total Depth: 1000 Feet 7) Approximate fresh water strata depths: 920' 9) Approximate salt water depths: 920' 1) Approximate coal seam depths: None 1) Doscribe proposed well work To Drill and Stimulate a New Well 2) CASING AND TUBING PROGRAM TYPE SPECIFICATIONS FOOTAGE INTERVALS CEMENT Size Grade Weight per for Left in Well Conductor Size Grade Weight per for Left in Well Conductor Size Grade Weight per for Left in Size Grade Weight per for Size Grade Weight per for Left in Size Grade Weight per for Size Grade Weight per for Left in Size Grade Weight per f	\ / <u>DEP</u>								050
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west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Randy C. Huffman, Cabinet Secretary www.wvdep.org

May 09, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705665, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: UNDERWOOD 2

Farm Name: PATSY, G.

API Well Number: 47-1705665

Permit Type: New Well Date Issued: 05/09/2008

Promoting a healthy environment.

						•	
Form: WW - 2	В	_			•	17-	0566
/				WEST VIRGI			
DEPA	RTMEN		/IRONMENTAL			OF OIL AND	<u>GAS</u>
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				Operator	County	 District	Quadrang
				ID		2.01.101	- dadarang
2) Operators \	Vell Nun	ոber: <u> </u>	<u>Underwood No</u>	<u>o. 2</u>	3) Elevati	on: <u>128</u> :	3, /
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l) Well Type: ((a) OII	or G	iasX	l las al a manus	04		
(b) if Gas		uction <u>X</u> /	ongergroung Shallow		·	
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i) Proposed T	arget Fo	rmation(s): <u>Marcellus</u>	, /	·		
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2) TYPE S Conductor Fresh Water Coal	Size /3 3/8" 9 5/8"	<u>CA</u> CATIONS	SING AND TU	For Drilling	RAM INTERVAL Left in Well 250'	S CEM Fill -up (C	u. Ft.)
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2) TYPE S Conductor Fresh Water Coal Intermediate Production	Size /3 4/8" 9 5/8"	<u>CA</u> CATIONS	SING AND TU	BING PROGE FOOTAGE Drilling 250' 1283'	NAM INTERVAL Left in Well JSQ' 1283'	S CEM Fill -up (C CTS W CTS W	u. Ft.)
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2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners	SPECIFIC Size /3 3/8" 9 5/8" 7" 4 1/2"	<u>CA</u> CATIONS	SING AND TU	BING PROGE FOOTAGE Drilling 250' 1283' 2900' 7800'	INTERVAL Left in Well JSQ' 1283' 2900' 7775'	S CEM Fill -up (C CTS CTS CTS By Rule 35 4-11.1	u. Ft.)
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	Size Size Size Size Size Size Size Size Size Size	<u>CA</u> CATIONS	SING AND TU	BING PROGE FOOTAGE Drilling 250' 1283' 2900' 7800'	INTERVAL Left in Well JSQ' 1283' 2900' 7775'	S CEM Fill -up (C CTS CTS CTS By Rule 35 4-11.1	u. Ft.)
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	SPECIFIC Size /3 3/8" 9 58" 7 " 4 1/2"	CA CATIONS Grade	SING AND TU	BING PROGE FOOTAGE Drilling 250' 1283' 2900' 7800'	INTERVAL Left in Well JSQ' 1283' 2900' 7775'	S CEM Fill -up (C CTS CTS CTS By Rule 35 4-11.1	u. Ft.)
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	SPECIFIC Size /3 3/8" /4 1/2" ind izes epths Se	CATIONS Grade	SING AND TU	BING PROGE FOOTAGE Drilling 250' 1283' 2900' 7800'	INTERVAL Left in Well JSQ' 1283' 2900' 7775'	S CEM Fill -up (C CTS CTS CTS By Rule 35 4-11.1	u. Ft.)
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	SPECIFIC Size /3 3/8" /4 1/2" ind izes epths Se	CATIONS Grade	SING AND TU	For Drilling 250' 1283' 2900' 7800'	Left in Well JSQ' 1283' 2900' 7775'	S CEM Fill -up (C CTS CTS By Rule 35 4-11.1	u. Ft.) S CSR
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	SPECIFIC Size /3 3/8" /4 1/2" ind izes epths Se	CATIONS Grade	SING AND TU	For Drilling 250' 1283' 2900' 7800'	Left in Well JSQ' 1283' 7775'	S CEM Fill -up (C CTS CTS By Rule 35 4-11.1	u. Ft.) S CSR
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	SPECIFIC Size /3 3/8" /4 1/2" ind izes epths Se	CATIONS Grade	SING AND TU	For Drilling 250' 1283' 2900' 7800'	Left in Well JSQ' 1283' 7775'	S CEM Fill -up (C CTS CTS By Rule 35 4-11.1	u. Ft.) S CSR
2) TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki	SPECIFIC Size /3 3/8" /4 1/2" ind izes epths Se	CATIONS Grade	SING AND TU	For Drilling 250' 1283' 2900' 7800'	Left in Well JSQ' 1283' 7775'	S CEM Fill -up (C CTS CTS By Rule 35 4-11.1	u. Ft.) S CSR
Conductor Fresh Water Coal Intermediate Production Tubing Liners Packers: Ki	SPECIFIC Size /3 3/8" /4 1/2" ind izes epths Se	CATIONS Grade	SING AND TU	For Drilling 250' 1283' 2900' 7800'	INTERVAL Left in Well JSQ' 1283' 2900' 7775'	S CEM Fill -up (C CTS CTS By Rule 35 4-11.1	u. Ft.) S CSR

WW2-A	
Revised	8/02

4) Surface Owner(s) to be served:

(a) Name Glen Patsy

1) Date:

December 28, 2007

2) Operator's Well Number: Underwood No. 2 3) API Well No.: 47 - OSeleS

5) (a) Coal Operator

County

State STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Address	HCR 70 Box 542	Address	
	Davis, WV 26260		
(b) Name		(b) Coal Owner(s) with Declaration	
Address		Name None	
		Address	
(c) Name		Name	
Address		Address	
6) Inspector	Mike Underwood	(c) Coal Lessee with Declaration	
Address	Route 2 Box 135	Name	
	Salem, WV 26426	Address	
Telephone	304-552-3874		
. оторионо		AMED ABOVE TAKE NOTICE THAT:	
Included is t		nuing contract or contracts by which I hold the right to extra	act oil
and gas			
OR		pter 22, Article 6, Section 8(d) of the Code of West Virginia	
	the information required by Cha	pter 22, Article 6, Section 8(d) of the Code of West Virginia	a (see
page 2)	u da a a a a a a a a a a a a a a a a a a	9. C. of the Micet Micrisis Code I have conved conice of this	nation
I certify t	hat as required under Chapter 2	2-6 of the <u>West Virginia Code</u> I have served copies of this ing documents pages 1 through on the above named p	notice
and application, by:	a location plat, and accompany	ing documents pages i through on the above named p	ai tics
by.	Personal Service (Affidavit	attached)	
<u>_x</u>		A M A V	
	Publication (Notice of Publ	cation attached)	
I have re	ad and understand Chapter 22-6	postal receipt attached) cation attached) and 35 CSR 4, and I agree to the terms and conditions o	of any
permit issued ur	nder this application.	ive personally examined and am tamiliar with the inform	
I certify	under penalty of law that I have	we personally examined and am familiar with the inform	nation
submitted on the	is application form and all at	achments, and that based on my inquity of those indivi-	lauais
immediately res	ponsible for obtaining the int	ormation, I believe that the information its true, accurate	3 anu
Lam awa	re that there are significant pen	ormation, I believe that the information is true, accurate alties for submitting false information including the possible Hall Drilling, LLC	lity of
fine and impriso	nment.	Think the state of	,
•	Well Operator	Hall Drilling LLC	
	By: OFFW	Mike Hall &	
	Its: STATE OF	Vest Designated Agent	
	Address	POD Box 249	
	Theodore W	© 3 Ellenboro, WV 26346	
	Telephone		
	sworn before me day		
this		Notary Public	
My Commission	Evniros	- C Hotaly Fublic	
wy Commission	Expires ///8/2011		
	J		

Form WW-2A-1 (8/02)

Grantor, lessor, etc.

Operator's Well Number Underwood No. 2

17-05le65

Royalty Book/Page

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantee, lessee, etc.

E. Underwood, et al	Bluestone Energy Partners	1/8th	220/494

Well Operator:

Hall Drilling, LLC

By:

Mike Hall

Its:

Designated Agent

FORM WW2-B1

Well	No.	Underwood	<u>l No.</u>	_

West Virginia Department of Environmental Protection Office of Oil and Gas

17-05665

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

X	Contractor Name	Smith Land Surveying, Inc. – Environmental Division			
	Well operator's pr laboratory	ivate			
	Well Operator	Hall Drilling, LLC			
	Address	P.O. Box 249			
		Ellenboro, WV 26346			
	Telephone	304-869-3405			

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Underwood No. 2

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



OPERATOR: Hall Drilling

LEASE NAME AND NUMBER:

ENVIROMENTAL DIVISION

P.O. BOX 150. GLENVILLE, WV 28351

(304) 482-5834 · FAX 482-5656

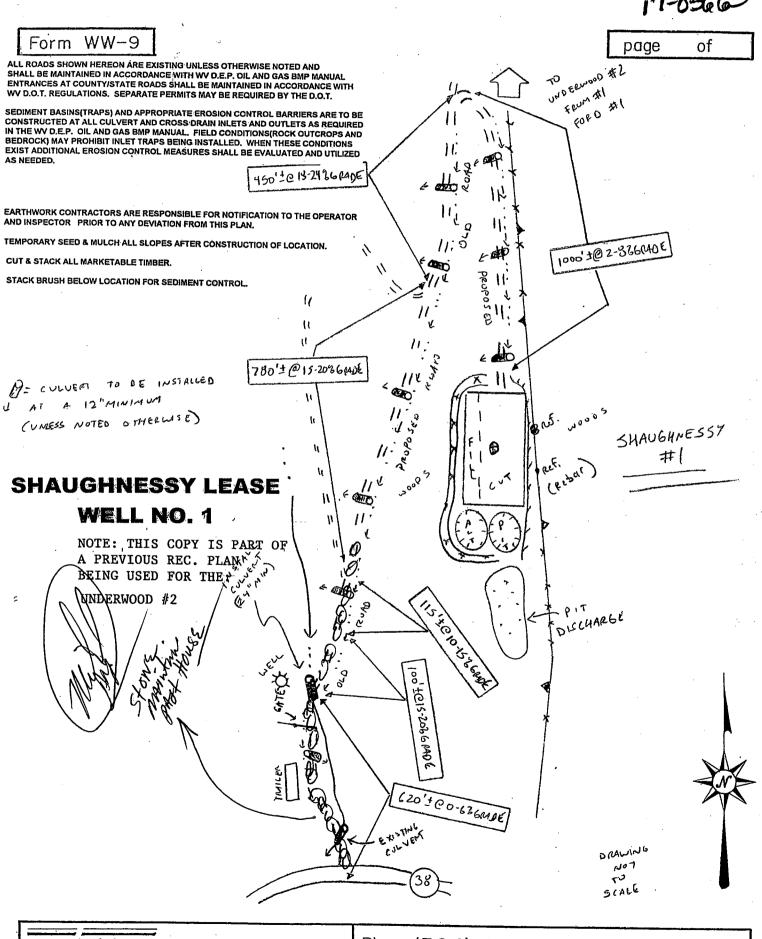
WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

COMMENTS

Underwood 2

The initial mapping review of the area surrounding listed surface owner(s) that were potentially utilizin Consumption or other purposes within 1000' of the landowners have been notified of the opportunity to necessary.	g groundwater (potable) proposed well site. The	for Human following
*Please note that the following information is subject to chang	ge upon field inspection.	
INDIVIDUAL CONTACT	TED OR NOTIFIED	
Owner/Occupant: John E. Wickland		144
Address: 187 Archwood Ave. Bridgeport, WV 26330	Letter/Notice Date:	1/24/08
Comments:		
Owner/Occupant: Glenn Patsy		
Address: HCR 70 Box 542 Davis, WV 26260	Letter/Notice Date:	1/24/08
Comments:		
Owner/Occupant: Danny and Brenda Harper		
Address: PO Box 429 Davin, WV 25617	Letter/Notice Date:	1/24/08
Comments:		
Owner/Occupant: Terry and Geneva Harper		
Address: PO box 16 Verner, WV 25650	Letter/Notice Date:	1/24/08
Comments:		
Owner/Occupant: Roy and Iwana Lackey		
Address: Rt. 2 Box 166B Salem, WV 26426	Letter/Notice Date:_	1/24/08
Comments:		

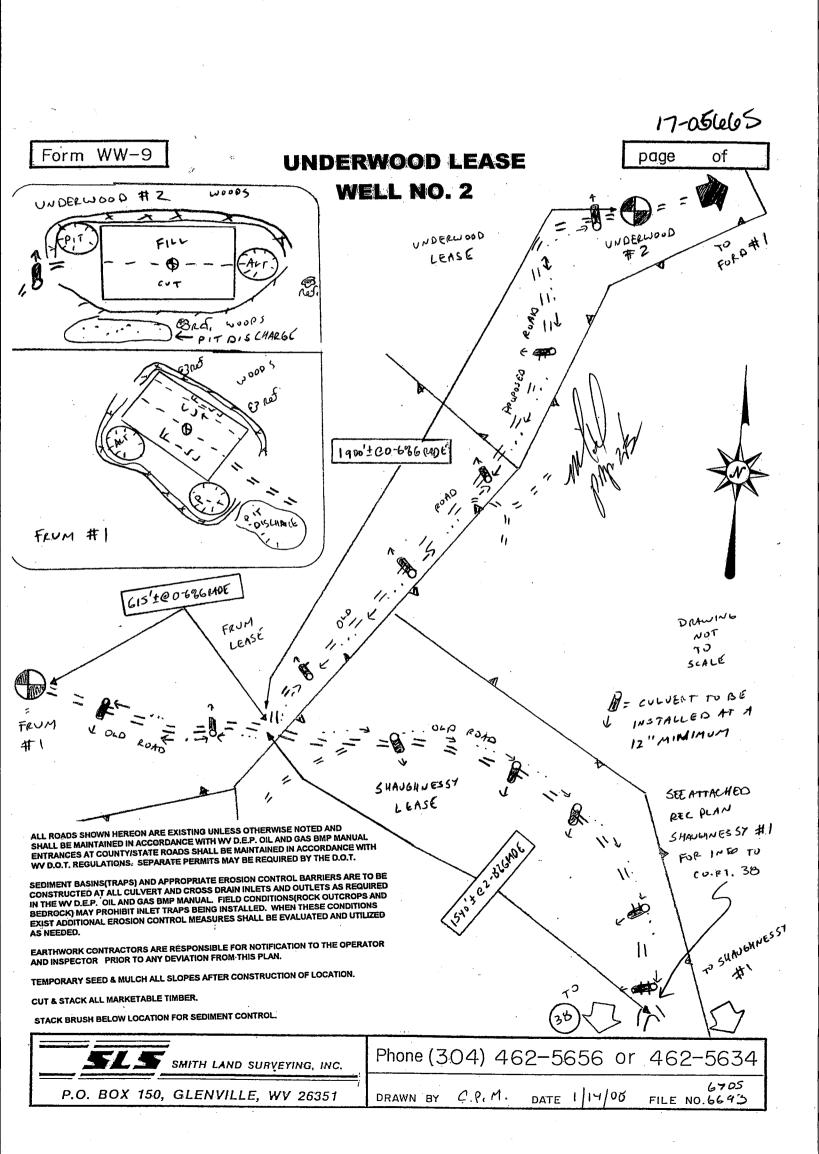
6714.potential.Hall.Newlon1

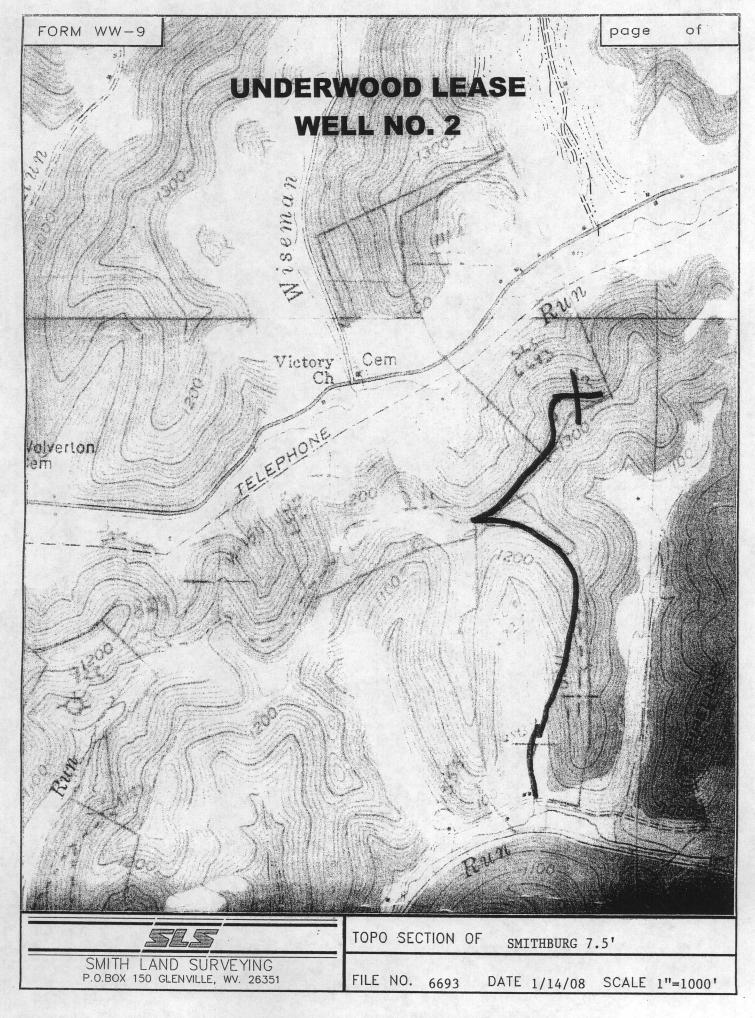


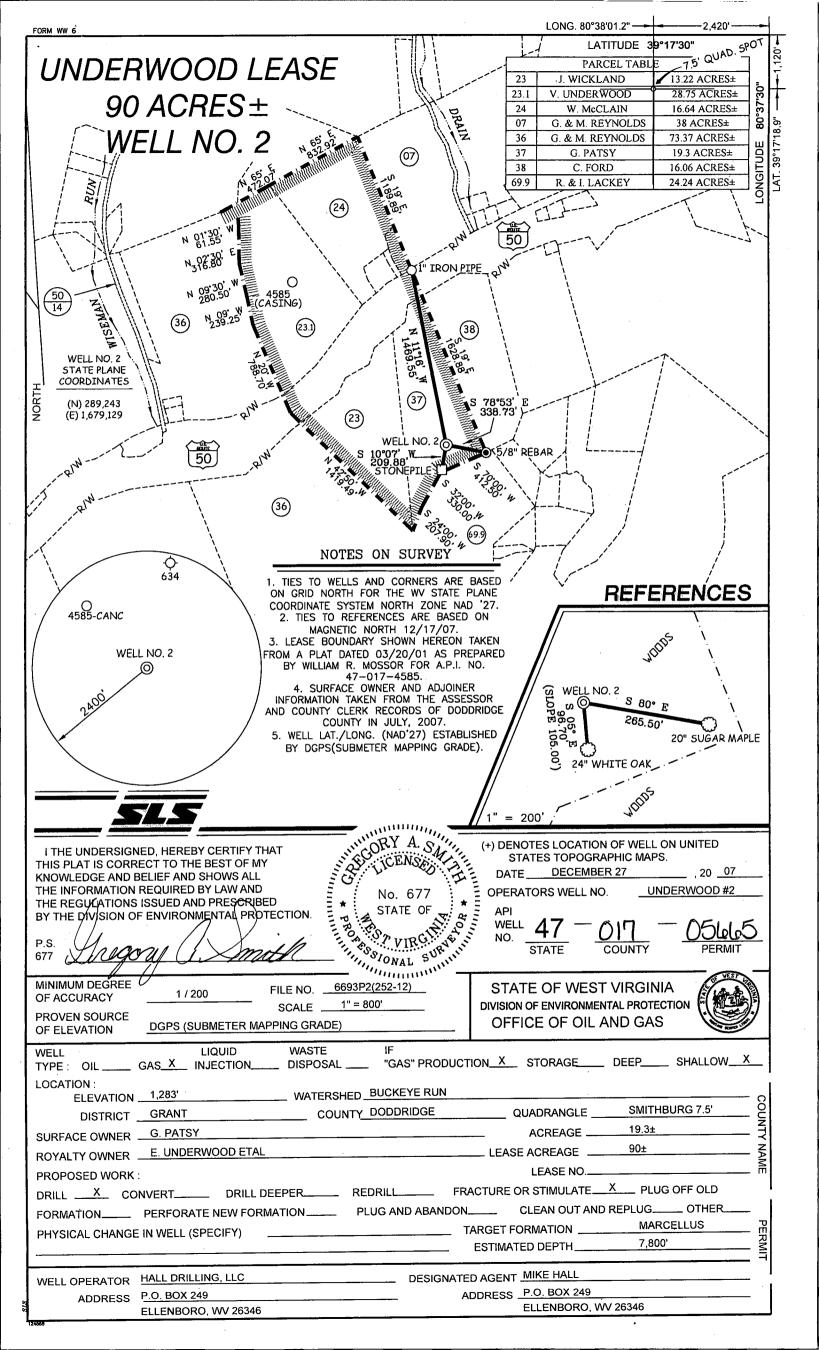
SMITH LAND SURVEYING, INC. P.O. BOX 150, GLENVILLE, WV 26351

Phone (304) 462-5656 or 462-5634

DRAWN BY C.P.M. DATE 1/14/08 FILE NO. 6737







FORM WW-9 Rev. 02/03

My commission expires

	Page	4	of	7	
API Number 47 -	17		0566	<u> </u>	
Operator's Well N	o. <u>Un</u>	derw	ood No	. 2	

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

atershedB	Buckeye F	Run	,	Q	uadrangle _	Smithburg 7.5	<u>;'</u>		
levation128	83'		County	Doddridge		District _	Grant		
escription of a	nticipated	l Pit Waste:	Drill Water.	Frac Blow Back	& Various F	ormation Cutting	<u>s</u>		
ill a synthetic	liner be u	sed in the pit?	Yes.	an spanial * Nga			V		
oposed Dispos		od For Treated P		2				giay s	
		Reuse (at API	Number	IC Permit Numbe					
		Off Site Dispo Other (Explain		form WW-9 for d	isposal locat	ion)			
oposed Work		h Pit Will Be U	sed:	•					
		Drilling Workover Other (Explain	n · 〈	X Swabbin Pluggin	•				
		Culor (Explui	·· <u></u>			,			
ovisions of the regulation can I certify oplication form e information,	e permit and to each t	are enforceable lenforcement action penalty of law attachments there that the information in the information	by law. Violon. that I have the and that, mation is true.	the West Virgini ations of any term personally exami based on my inque, accurate, and of fine or imprison	n or condition ned and am uiry of those complete. I	n of the general properties that the familiar with the individuals imm	permit and/ ne informa ediately re	or other ap	plicatitted of
ompany Officia	al Signatı	are	2			THE OS			
mpany Officia	al (Type	i Name) <u>Mil</u>	ke Hall			CON CON			14.3-0-0
ompany Officia	al Title _	Designated A	gent		Office	or of somety	itection		
bscribed and s	worn bef	ore me this	4 CK.	day of Sa	n. 45	orner 20 000 OFT AND SELLO	<u> </u>		
			25	The same of the sa			olic		

5m	ithlurg			
Operator:	HALL DRILLING,	LLC		_
API:	1705665			-
WELL No:	UNDERWOOD 2			
Reviewed by:	ta	Date:	5-8-08	-
Due Date:				
		СН	ECKLIST FOR	FILIN
			New '	Well
4)				

NG A PERMIT

γ_{i}
WW-2B
Inspector signature on WW-2B
WW-2A (Notarized)
Certified Mail Receipts, Waivers, or Affidavits of Personal Service
Surface Owner Waiver
Coal Owner / Lessee /Operator Waiver
WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing
WW-9 (Page 1 & 2) (Notarized)
Inspector Signature on WW-9
Reclamation plan
Topographic Map of location of well
Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
Bond
Company is Registered with the SOS
Worker's Compensation / Unemployment Insurance account is OK
\$650.00 check (\$550.00 if no pit)

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County

Doddridge

Operator

Hall Drilling, LLC

Operator well number

Underwood No. 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas **Department of Environmental Protection** 601 57th St. SE Charleston, Wv 25304 (304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

The proposed well work will constitute a hazard to the safety of persons. 1)

The proposed well work will constitute a liazard to the salety of persons.
The soil erosion and sediment control plan is not adequate or effective;
Damage would occur to publicly owned lands or resources;
The proposed well work fails to protect fresh water sources or supplied in the substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should a copy from the Chief.

request a copy from the Chief.

<u>List of Water Testing Laboratories.</u> The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PER		FOR EXECUTION BY A C	ORPORATION, ETC.
Them Waly fr	_ Date 2-13-08	Name	
Signature V/		By	
	*****	Its	Date
	·	Signature	Date

17-05665

BLUESTONE ENERGY PARTNERS

Trust is our greatest resource:

April 30, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Underwood No. 2

Also enclosed is check no 012958 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience. Thank you for your help and assistance.

Sincerely,

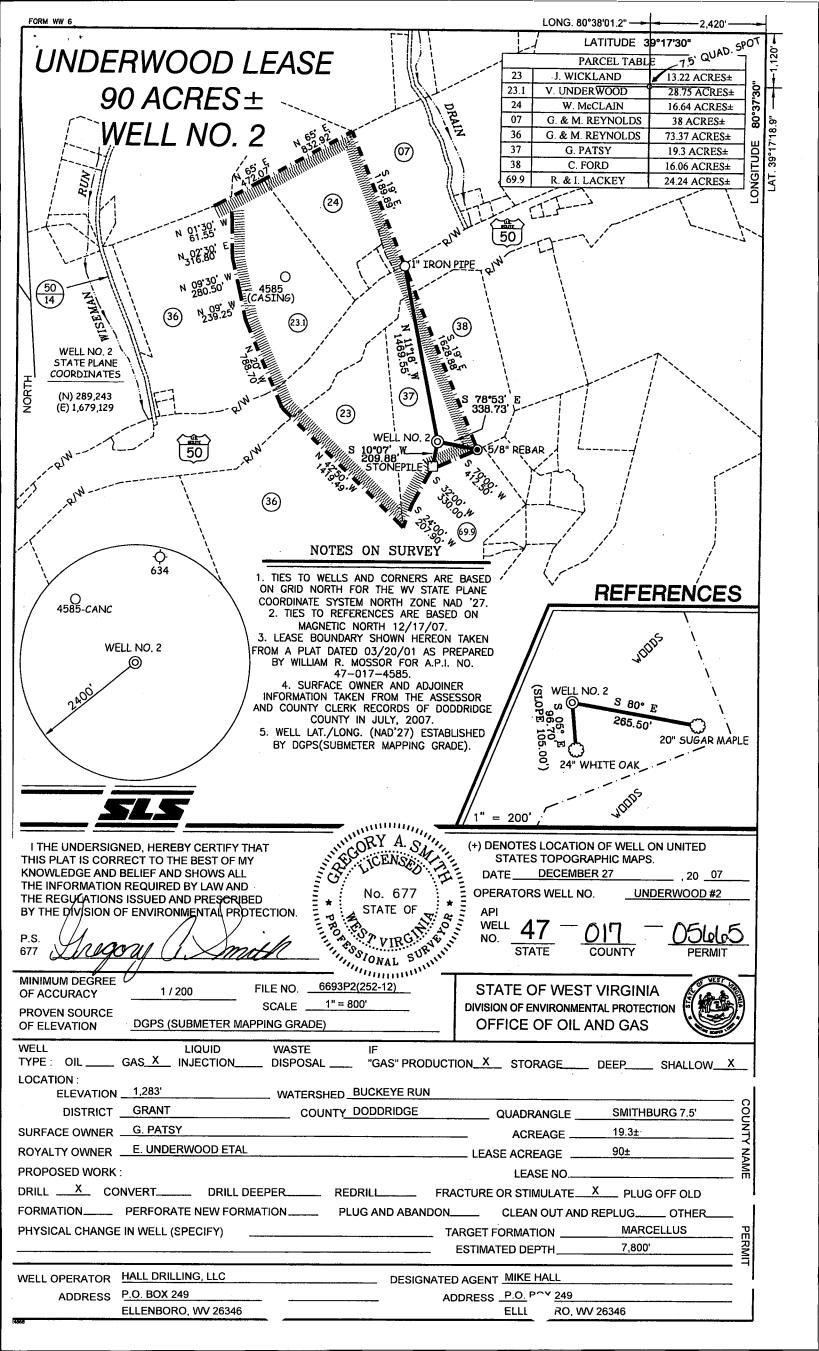
Annalisa Dobbins

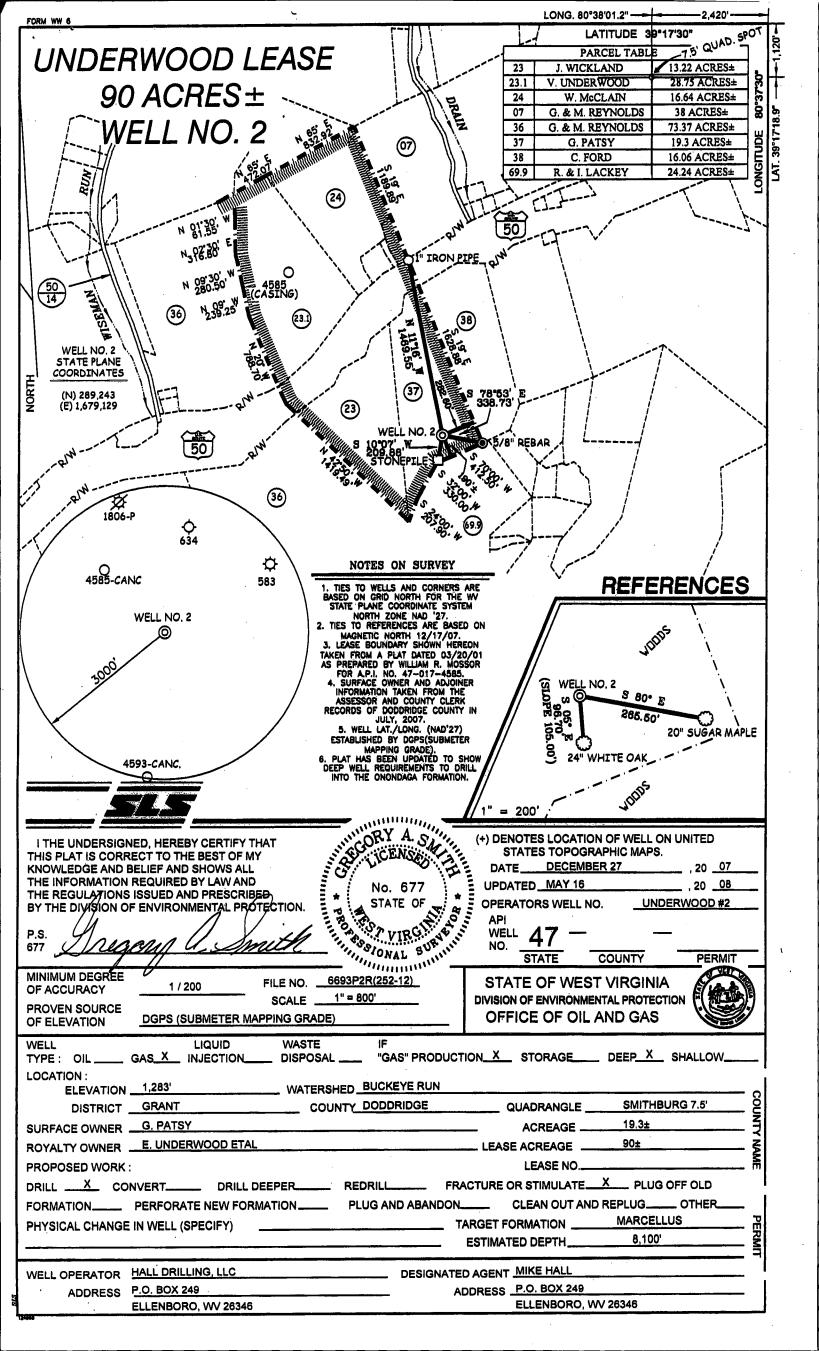
Administrative Assistant

Analisa Dellems

Enclosures: Well package for Underwood No. 2

Check No. 012958-\$650.00





form: WM	/ - 2R

STATE OF WEST VIRGINIA

17-5535

DEPART	MENT OF ENVIRO	<u>NMENTAL PR</u>	OTECTION	N, OFFICE OF	OIL AND G	<u>AS</u>
	WELL	WORK PERM	IIT APPLIC	ATION		<u> </u>
				17	5	<i>y</i> 10
1)Well Operator	Hall Drilling, LLC			Doddridge	McClellan	Salem 7.5'
			Operator ID	County	District	Quadrangle
			טו			
2) Operators Wel	l Number: B. Coff	fman No. 2	3)	Elevation	n: 1288'	
			<u> </u>			
4) Well Type: (a)	Oil or Gas	<u> </u>				
(b) I	f Gas: Production	n <u>X</u> / Unde	erground S	Storage		
	Deep	<i> </i> Shal	low	X		
						•
	get Formation(s):		5			
· ·	l Depth: <u>8100′</u> F					
	resh water strata de		/20/			
• • •	alt water depths:	<u>None</u>				·····
,	oal seam depths:					
10) Does land co	ntain coal seams tr	ributary to act	ive mine?	No	RFC	EIVED
11) Describe proj	posed well work	To Drill and	Stimulato	a New Well	Office o	Oil & Gas
i i j Describe proj	JOSEG WEII WOIK	10 Dilli allu	Julilulate	a New Well		0.1.2007
						3 1 2007
	,				W/V Der	partment of
					F-viranme	ntal Protection
					FUAILOUGH	I ILLAN F I U U U

12) TYPE S	PECIFIC		SING AND TU	BING PROGE FOOTAGE		S CEMENT
	<u>Size</u>	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)
Conductor	95/811		ス 2#	300 /	3001	C 75
Fresh Water						
Coal						
Intermediate	71		16#	2900'	2900 1	CAS
Production	4 1/2"		11.50	8100'	8100'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

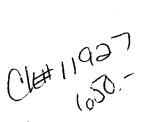
Packers:

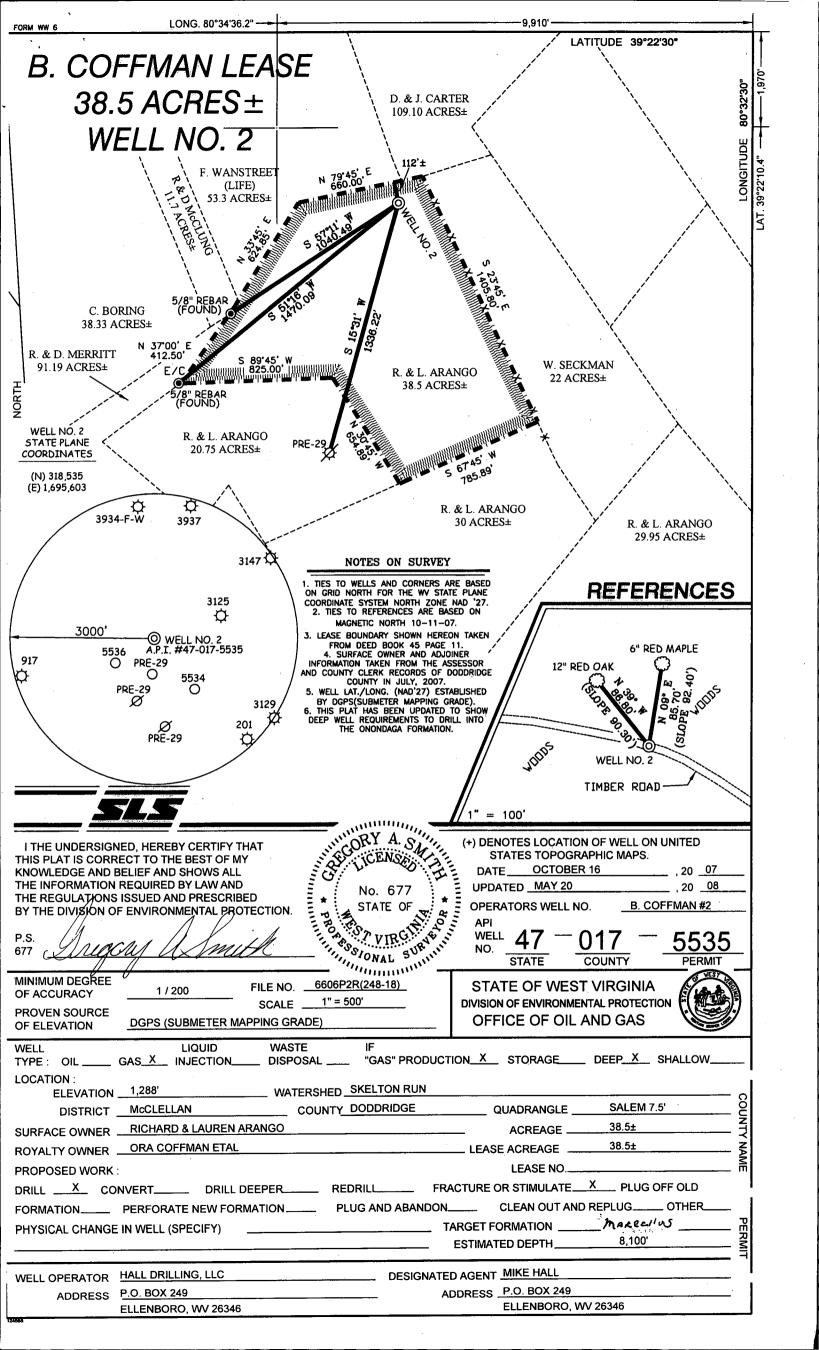
Kind

Sizes

Depths Set

983 24 2007







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

November 08, 2007

WELL WORK PERMIT New Well

This permit, API Well Number: 47-1705535, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: B. COFFMAN 2

Farm Name: ARANGO, RICHARD & LAUREN

API Well Number: 47-1705535

Permit Type: New Well Date Issued: 11/08/2007

Promoting a healthy environment.

				٠.			
Form: WW - 2l	В		STATE OF V	WEST VIRGIN	JΙΔ	17-553	5
DEPA	RTMENT	OF ENV				F OIL AND GA	S
			ELL WORK PE				
(<u> متيبت</u>			17	5	596
1)Well Operate	or Hall	Drillina.	LLC		Doddridge	McClellan	Salem 7.5'
.,				Operator ID	County	District	Quadrangle
2) Operators V	Vell Num	ber: <u>B.</u>	Coffman No. 2	23) Elevatio	on: <u>1288'</u>	_
4) Well Type: ((I		Produ	ction <u>X</u> /U	Inderground hallow _	Storage X		
5) Proposed T 6) Proposed T 7) Approximat 8) Approximat	otal Dept e fresh w e salt wa	th: <u>3000</u> vater stra ter depth	D_Feet ita depths: is: None		,	-	
9) Approximat	e coai se	am dept	hs: <u>None</u>		? No		THE RESERVE LAND
10) Does land 11) Describe p						Office of (Oil & Gas
,							1 2007
						MA/ Depa	artment of
						Environmen	tal Protection
40)		C A	SING AND TU) А В Л	 -	
12) TYPE S	PECIFIC		SING AND TU	FOOTAGE		CEMEN	т
1112	Size	Grade	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. F	
Conductor	95/811			1501	1501	CTS	

Packers: k

Kind Sizes

Depths Set

Clat 11927

980st 24 2007

WW2-A Revised 8/02

Address

4) Surface Owner(s) to be served:

(a) Name Richard & Lauren Arango

P.O. Box 8543

Port Saint Luci, FL 34985

October 18, 2007

2) Operator's Well Number: B. Coffman No. 2
3) API Well No.: 47 - 0 5 5 9 5

State

5) (a) Coal Operator

County

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Name

Address

(b) Name		(b) Coal Owne	er(s) with Declaration
Àddress		Name No	ne
		Address	
(c) Name	•	Name	
Address		Address	
Address			All Maria and Al
6) Inspector	Mike Underwood	(c) Coal Lesse	ee with Declaration
Address	Route 2 Box 135	Name	
	Salem, WV 26426	Address	
Telephone	304-552-3874		
	TO THE PERSONS NA	MED ABOVE TAKE	NOTICE THAT:
Included is t			icts by which I hold the right to extract oil
and gas			
OR			
OR X Included is 1 page 2)	the information required by Char	oter 22, Article 6, Section	on 8(d) of the Code of West Virginia (see
page 2)	hat as required under Chapter 2	2-6 of the West Virginia	Code I have served copies of this notice
and application,	a location plat, and accompanyi	ng documents pages 1	through on the above named parties
by:	Personal Service (Affidavit a	ttached)	
<u></u>			
	Publication (Notice of Public		
I have re			gree to the terms and conditions of any
	nder this application.		•
l certify	under penalty of law that I ha	ve personally examine	d and am familiar with the information
submitted on th	nis application form and all atta	achments, and that ba	sed on my inquiry of those individuals
•	ponsible for obtaining the info	ormation, I believe tha	t the information is true, accurate and
complete.	and the state of t	Itiaa far aubmitting fala	a information including the possibility of
i am awa	•	ities for submitting rais	e information, including the possibility of
ime and impriso	Well Operator	Hall Drilling	RECEIVED
	By:	Mike Hall	Office of Oil & Gas
	is:	FFICIDESIGNATED Adent	
	Address	OF VE O BOX 249	OCT 31 2007
		Ellenboro, WV 26346	the section
	Telephone	304-869-3405	WV Department of
	sworn before me	0 304-869-3405 West Property of Expires Apr 18, 2011	, Environmental Protection
this <	- Jay	/ Clobel	
My Commission	Evniros /// a/		Notary Public
wy Commission	Expires 4/18/20	<i>(</i> (

FORM WW-9 Rev. 02/03

My commission expires_

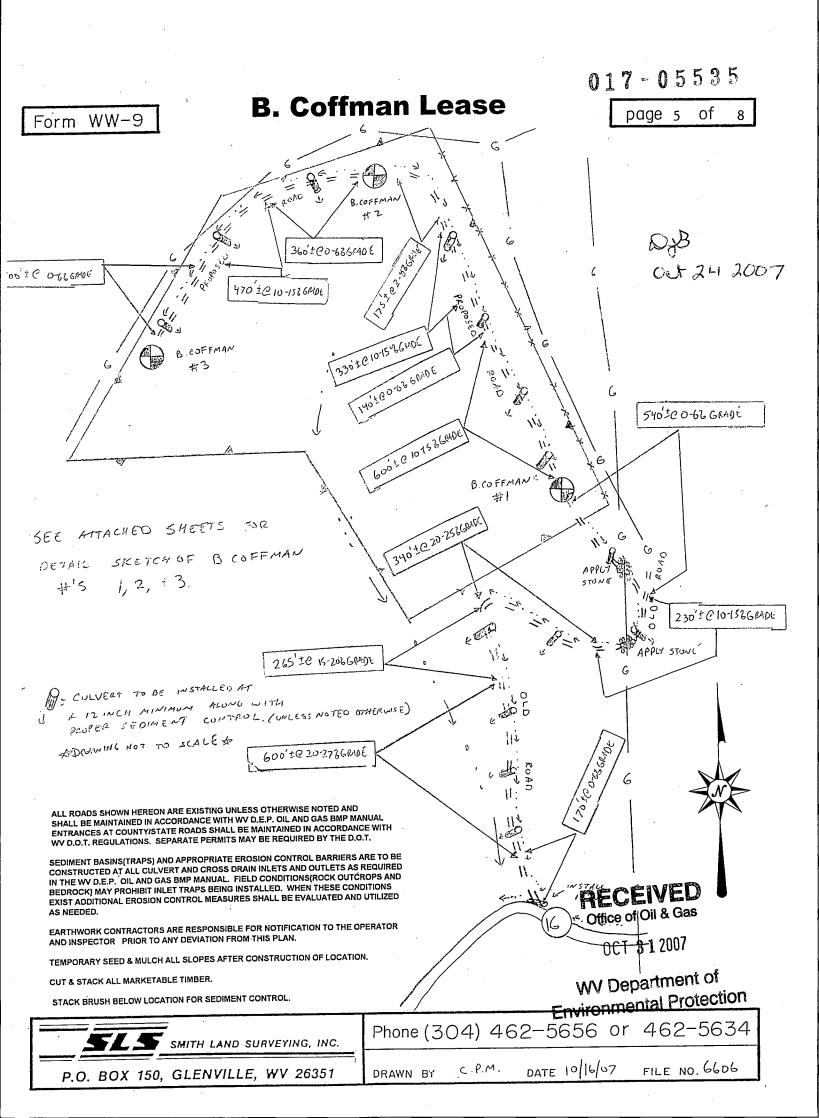
0	1	7	DΔ.	0	5	5	ુ	5
Page		4		of		8_		
API Number 47								
Operator's Well NoB.	Co	offin	nan	No	<u>. 2</u>			

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name	perator Name <u>Hall Drilling</u> OP Code			
Watershed <u>Sk</u> e	elton Run	Qua	drangle <u>Salem 7.5'</u>	·
Elevation <u>1288</u>		County <u>Doddridge</u>	District _	McClellan_
Description of ant	icipated Pit Waste:Drill	Water, Frac Blow Back &	Various Formation Cuttings	
Will a synthetic li	ner be used in the pit?Ye	<u> </u>		•
Proposed Disposa	Reuse (at API Num	ion (UIC Permit Number_	osal location)	
Proposed Work F	or Which Pit Will Be Used: X Drilling Workover Other (Explain	X_ Swabbing Plugging		
December 31, 19 provisions of the or regulation can I certify application form the information,	99, by the Office of Oil and permit are enforceable by law lead to enforcement action. under penalty of law that and all attachments thereto a	Gas of the West Virginia law. Violations of any term of I have personally examine and that, based on my inquir is true, accurate, and co	Division of Environmental lar condition of the general polynomial am familiar with the yof those individuals immemplete. I am aware that the	POLLUTION PERMIT issued on Protection. I understand that the ermit and/or other applicable law e information submitted on this ediately responsible for obtaining here are significant penalties for
Company Official			,	RECEIVED Office of Oil & Gas
Company Official	(Typed Name) <u>Mike Ha</u>	all_		OCT 3 1 2007
Company Official	Title <u>Designated Agent</u>			WV Department of
Subscribed and sw	worn before the this 22	day of CFECA A STATE OF WED ANGUISMS GREGORY & BATTON OF	, 20 0 2	vironmental Protection

017-05535

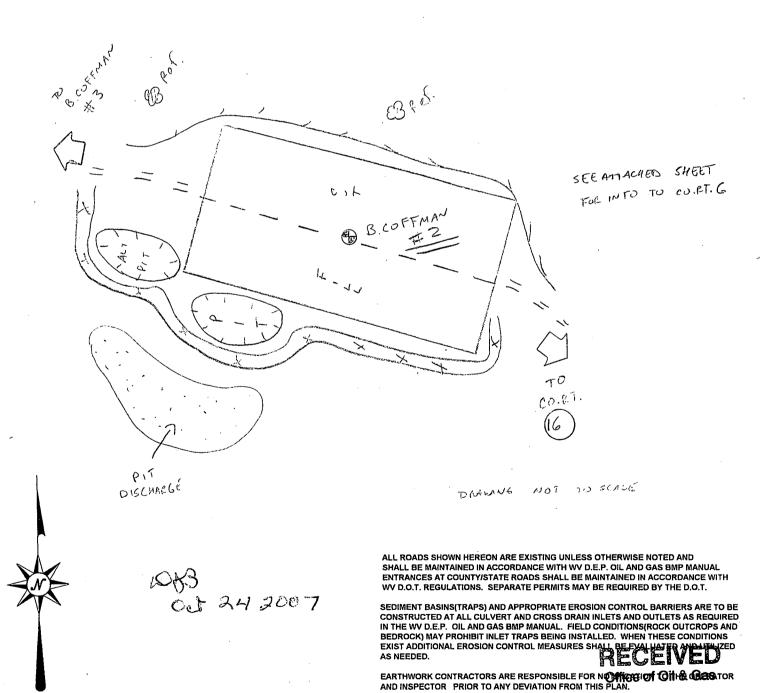
		LEGEND	
roperty Boundary	<u> </u>	Diversion Legality 111111	
ond <u> </u>		Spring	
xisting Fence — 🗶 —		Wet Spot	
lanned Fence /	//	Drain Pipe with size in inches	
tream Con 7	7	→ Waterway ← ←	\leftrightarrow
Open Ditch —————		Cross Drain 777777	
Rock 688888	-	Artificial Filter Strip XXXXX	XXXXXXXXXXX
North N		Pit: cut walls	
Buildings		Pit: compacted fill walls	
Water wells W		Area for Land Application of Pit Wa	uste
Drill site		200	
-	20 or equivalent) <u>1/3</u>	TON lbs/acre (500 lbs minimum) Tons/acre	
Fertilizer (10-20-2 Mulch HAY			
Mulch HAY		Tons/acre Seed Mixtures	rea II lbs/acre
Mulch HAY	2 Area I	Tons/acre Seed Mixtures	
Mulch HAY Seed Type	2 Area I Ibs/acre	Tons/acre Seed Mixtures A Seed Type	lbs/acre
Mulch HAY Seed Type KY-31	2 Area I Ibs/acre 40	Tons/acre Seed Mixtures A Seed Type ORCHARD GRASS	lbs/acre
Mulch HAY Seed Type KY-31 ALSIKE CLOVER	2 Area I lbs/acre 40 5	Tons/acre Seed Mixtures A Seed Type ORCHARD GRASS	lbs/acre
Mulch HAY Seed Type KY-31 ALSIKE CLOVER	2 Area I lbs/acre 40 5 15	Tons/acre Seed Mixtures A Seed Type ORCHARD GRASS ALSIKE CLOVER	lbs/acre
Mulch HAY Seed Type KY-31 ALSIKE CLOVER ANNUAL RYE Attach:	Area I Ibs/acre 40 5 15 on, pit and proposed area	Tons/acre Seed Mixtures A Seed Type ORCHARD GRASS ALSIKE CLOVER a for land application.	lbs/acre
Seed Type KY-31 ALSIKE CLOVER ANNUAL RYE Attach: Drawing(s) of road, location	Area I Ibs/acre 40 5 15 on, pit and proposed area	Tons/acre Seed Mixtures A Seed Type ORCHARD GRASS ALSIKE CLOVER a for land application.	lbs/acre
Seed Type KY-31 ALSIKE CLOVER ANNUAL RYE Attach: Drawing(s) of road, location Photocopied section of involutions	Area I Ibs/acre 40 5 15 on, pit and proposed area	Tons/acre Seed Mixtures A Seed Type ORCHARD GRASS ALSIKE CLOVER a for land application. Sheet.	lbs/acre



Form WW-9

B. Coffman Lease Well No. 2

0 1 7 × 0 5 5 3 5 page 6 of 8



SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

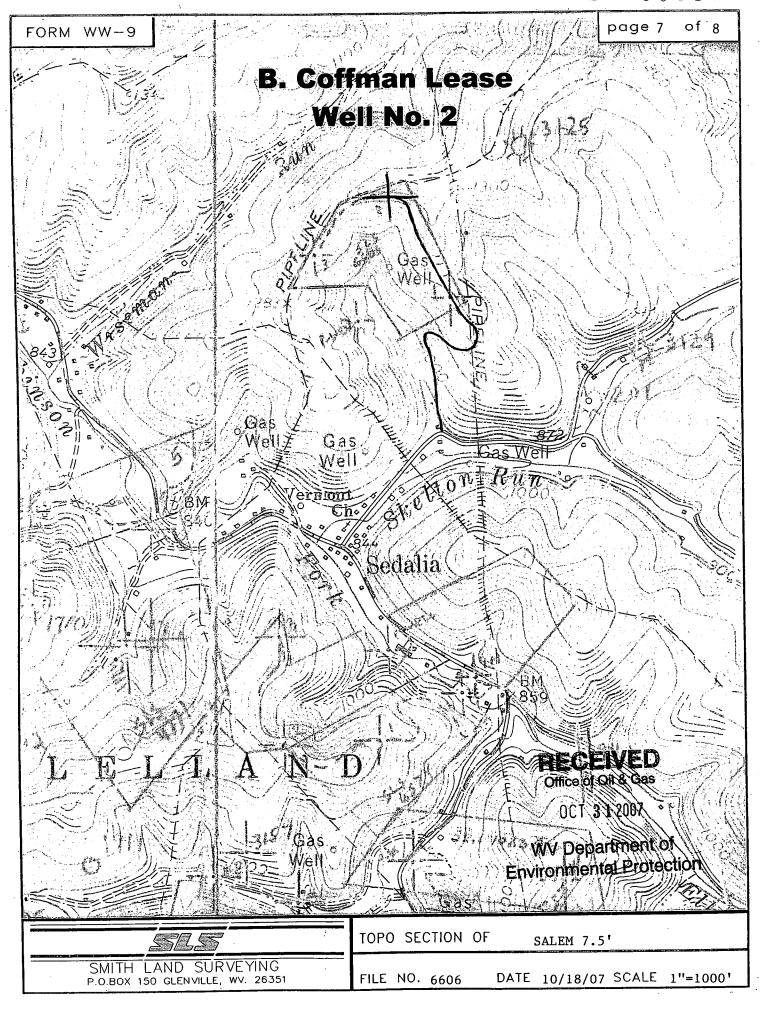
Phone (304) 462-5656 or 462-5634

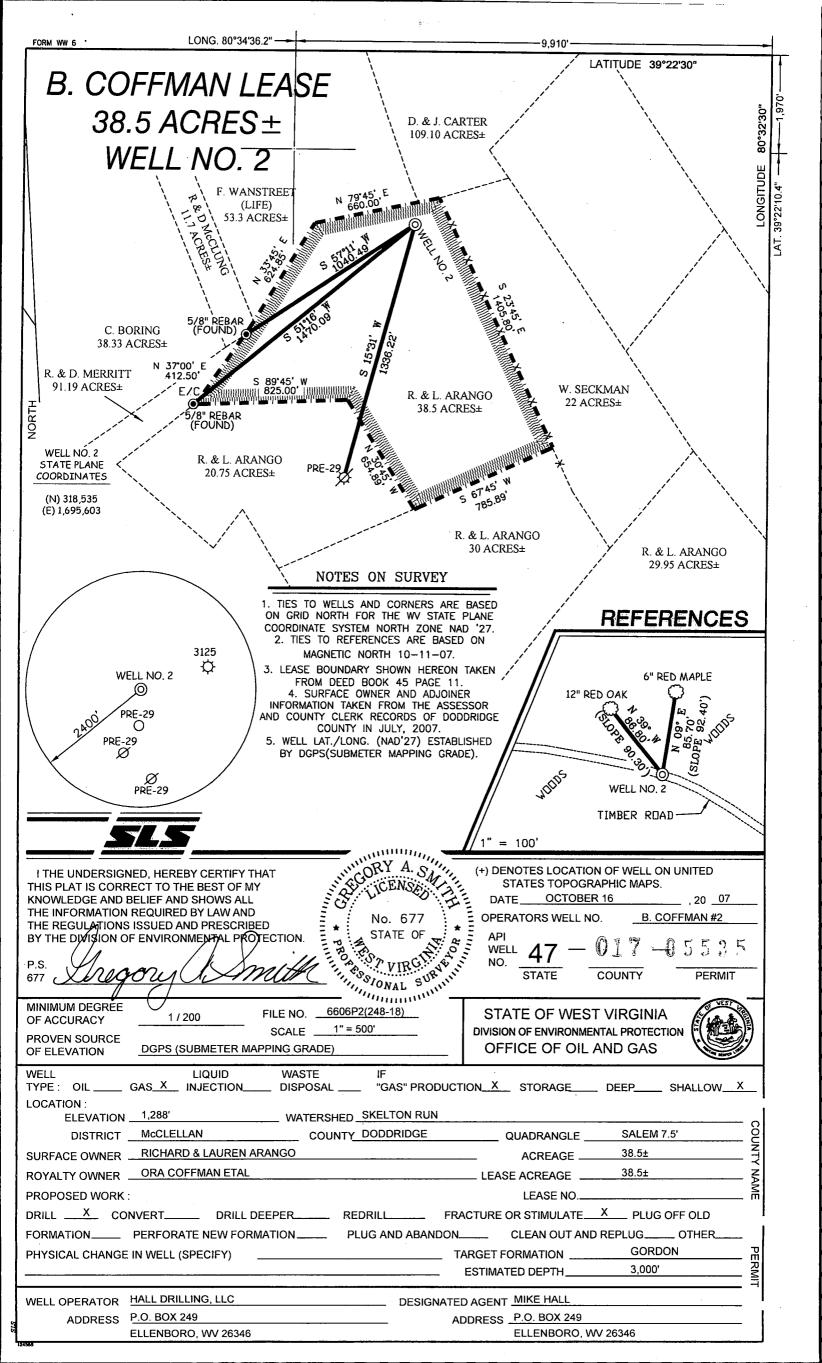
STACK BRUSH BELOW LOCATION FOR SEDIMENT COMPLDEPARTMENT OF

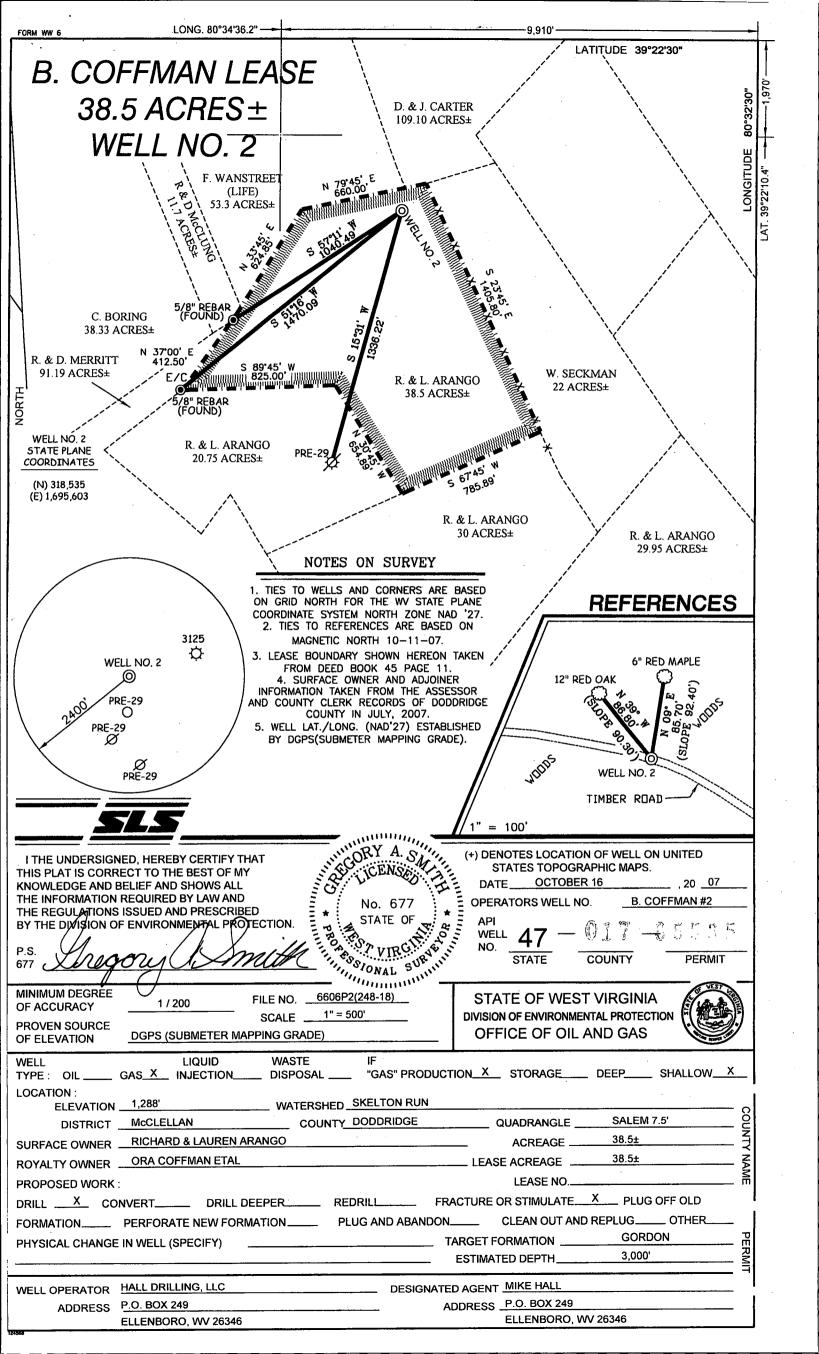
TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF 42107

CUT & STACK ALL MARKETABLE TIMBER.

DRAWN BY C.P. M. DATE 10/11/07 FILE NO. 6600







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\sim	per	_ 4 _		
	ner	אזמי	۱r	•

HALL DRILLING, LLC

API:

1705535

WELL No:

B. COFFMAN 2

Reviewed by:

Chris J Date: 11/7/07

Due Date:

Names)

CHECKLIST FOR FILING A PERMIT

New Well

X	WW-2B
X	Inspector signature on WW-2B
\boxtimes	WW-2A (Notarized)
X	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
χ	Surface Owner Waiver
\boxtimes	Coal Owner / Lessee /Operator Waiver None Listed
X	WW-2A-1 Showing Book/Page Number and Royalty Percentage
X	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
X	WW-9 (Page 1 & 2) (Notarized)
X	Inspector Signature on WW-9
X	Reclamation plan
X	Topographic Map of location of well
\boxtimes	Mylar Plat (Surface owner on plat matches WW-2A)
\square	Bond
\searrow	Company is Registered with the SOS
\searrow	Worker's Compensation / Unemployment Insurance account is OK
\searrow	\$650.00 check (\$550.00 if no pit)

Form WW-2A-1 (8/02)

Operator's Well Number B. Coffman No. 2

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty Book/Page
Ora Coffman, et al	Bluestone Energy Partners	1/8 th
Bluestone Energy Partners	Hall Drilling, LLC	W.I. Book 219 Pg. 14

Well Operator:

By:

Mike Hall

Designated Agent

RECEIVED
Office of Oil & Gas

OCT 312007

WV Department of Environmental Protection

•			
Form MM-109			
Rev. 05-19-05	PERMIT N	0	
WEST VIRGINIA, AS PROV	UNDER, OVER OR ACROSS T /IDED FOR IN SECTION 6, AF ECTION 8, ARTICLE 4, CHAPTI	RTICLE 16, CHAPTE	R 17; SECTION 9,
THIS PERMIT, Made this	18th day of October	20 <u>07</u> , between th	e WEST VIRGINIA
DEPARTMENT OF TRANSPO	ORTATION, DIVISION OF HIGH	WAYS, a statutory corp	ooration hereinafter
called DIVISION and Hall Dr	lling, LLC	•	
Address: P.O. B	ox 249 Ellenboro, WV 26346	Phone No:	304-869-3405
hereinafter called APPLICANT.			
	WITNESSETH		
17; or Section 9, Article 16, C	inafter set out covenants and in acc hapter 17; or Section 8, Article 4 d the rules and regulations promula	, Chapter 17, of the Of	ficial Code of West
Route Type & No. Co	. Rt. 16 DOH Project No	•	(if applicable);
at $0.26 \pm \text{Miles West or}$	Junction Co. Rt. 16/1 in McClellan Di	strict Mile P	ost
	County, for the purposes he		
plans and specifications which a	re attached hereto and made a part h	ereof: to utilize and main	tain an entrance for
ingress and egress to the B. Coffma	n Lease Well No. 1-3, Oil & Gas Well	Leasehold. Please see the	attached SLS Detail
Sketch.			
and inspection costs DIV expense incurred in restor	, or executed bond with surety satistically in the satistical in the satisfication in t	the granting of this per ndition or the proper re	mit, including any pair of any and all
A. For any inspection	nburse DIVISION for inspection co costs incurred under this permit. per linear foot for		ed under this permit
C. At\$	per linear foot for per linear foot for	feet of sewer line install	ed under this permit
3. APPLICANT shall notify Failure to comply will be c	DIVISION at least 48 hours in a ause for cancellation of this permit.	advance of the date the	work will begin.
4. APPLICANT agrees to particle accordance with the current Construction and Maintena	rotect its employees, equipment and Division of Highways manual nce Operations"	and users of the highv "Traffic Control For St	vay at all times in reet and Highway
5. APPLICANT agrees to co- under this permit.	mply with all applicable state and	federal laws in the per	formance of work
6. Supplementary conditions of hereof.	ited on the reverse side of this per	mit are understood and	agreed to be a part
7. The work authorized under	his permit shall be completed on or	before (Date): O	ctober 18, 2008
Applicant's signature on this permit a	iffirms that all text herein is a verbatimn MM-109, revision date May 19, 2005	reproduction of The West	Virginia Division of
RECOMMENDED:		10	
itle		Signature and Title of App.	M. Agent licant
OND REQUIREMENT: BOND NO.	DATE		
Attached On File NSPECTION: Owner/Consultant	Title		

West Virginia Division of Highways

PERMIT NO: _____

6606 RD #1

AUTHORIZATION NO: _____

No Cost

Well No. B. Coffman No. 2

FORM WW2-B1

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

\mathbf{X}	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's pr	rivate
	laboratory	
	Well Operator	Hall Drilling
	Address	P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to many analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such Gas

OCT 312007

B. Coffman No. 2

WV Department of

NOTE: There appears to be 1± potable water sources within 1,000, therefore tests will be offered and samples taken as required

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County	Doddridge	Operator	Hall Drilling, LLC
	J	Operator well number	B. Coffman 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas Department of Environmental Protection 601 57th St. SE Charleston, Wv 25304

<u>Time Limits and methods for filing comments.</u> The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation..."

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories.</u> The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1.through ____ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

A further state that I have no objection to the planned work described in these protocials and I have no bisetimate

in and other mave no objecti	On to t	ne planned w	OIK GESCI	inea iii tiles	e materiais, ar	id i nave no	objection to
a permit being issued on those materials.							•
FOR EXECUTION BY A NATURAL PERSO	ON	/ /	F	OR EXECU	RECE!	ORPORATI	ON, ETC.
Fames Thrange	. .	בנו בנוסו	Company	y	DECE	VED	
Total Trouving	Date	1911/01	Name		Mr.	& Gas	
Signature			Ву		Office of Oil	<u> </u>	
our way			Its		OCT 21	2007	Date
			_		OCT 3.		
				Signature	WV Depa nvironment	rtment of	ti B pte
•				E	nvironmeni	ai i .	

CHAPTER 17 WEST VIRGINIA CODE, 1931

§17-4-8. Use of roadbed by railroad, telephone company, etc.

No railroad or electric or other railway shall be constructed upon the roadbed of any state road, except to cross the same, nor shall any person, firm or corporation enter upon or construct any works in or upon such road, or lay or maintain thereon or thereunder any drainage, sewer or water pipes, gas pipes, electric conduits or other pipes, nor shall any telephone, telegraph or electric line or power pole, or any other structure whatsoever, be erected upon, in or over any portion of a state road, except under such restrictions, conditions and regulations as may be prescribed by the state road commissioner. Whenever any railroad or electric or other railway, heretofore or hereafter constructed, shall cross any state road, it shall be required to keep its own roadbed, and the bed of the road or highway at such crossing, in proper repair, or else to construct and maintain an overhead or undergrade crossing, subject to the approval of the state road commissioner; and the tracks of such railroad or railway at grade crossings shall be so constructed as to give a safe and easy approach to and across the same, and when the construction of such approaches is made necessary by a change in the railroad grade at the grade crossing, the cost shall be upon the railway company.

\$17-16-6. Permit by commission or county court for openings in or structures on public roads; franchises and

easements of oil, etc., transportation companies.

No opening shall be made in any state or county-district road or highway, nor shall any structure be placed therein or thereover, nor shall any structure, which has been so placed, be changed or removed, except in accordance with a permit from the state road commission or county court, as the case may be. No road or highway shall be dug up for laying or placing pipes, sewers, poles or wires, or for other purposes, and no trees shall be planted or removed or obstructions placed thereon, without the written permit of the commission or county court, or its duly authorized agent, and then only in accordance with the regulations of the commission or court. The work shall be done under the supervision and to the satisfaction of the commission or court; and the entire expense of replacing the highway in as good condition as before shall be paid by the persons to whom the permit was given, or by whom the work was done: Provided, however, That nothing herein contained shall be so construed as to prevent any oil or gas company or person having a proper permit or franchise from transporting oil or gasoline along any of the public highways of this State, nor to give such company a franchise without paying to the landowners through whose lands such road passes the usual and customary compensation paid or to be paid to the landowners for such right of way. Any grant or franchise when made shall be construed to give to such company or person only the right to use the easement in such public road.

A violation of any provision of this section shall be a misdemeanor, and the person or corporation violating the same shall, upon, conviction thereof, be fined not less than twenty-five nor more than one hundred dollars for each offense.

§17-16-9. Private driveways or approaches to roads; obstruction of ditches.

The owner or tenant of land fronting on any state road shall construct and keep in repair all approaches or driveways to and from the same, under the direction of the state road commission, and, likewise, the owner or tenant of land fronting on any county-district road shall construct and keep in repair approaches or driveways to and from the same, under the direction of the county road engineer, and it shall be unlawful for such owner or tenant to fill Lip any ditch, or place any material of any kind or character in any ditch, so as in any manner to obstruct or interfere with the purposes for which it was made.

SUPPLEMENTARY CONDITIONS

1. The person, firm or corporation to whom a permit is issued agrees to hold the State of West Virginia and DIVISION harmless on account of any damages to persons or property which may arise during the process of the work authorized by this permit or by reason thereof. 2. Applications for permission to perform work within highway rights of way shall be made on DIVISION'S standard

permit form and shall be signed by the authorized representative of the person, firm or corporation applying. 3. The APPLICANT shall give detailed information concerning the work to be performed and the application must

include a sketch sufficient to show the nature of the work performed.

4. APPLICANT, his agents, successor, heirs or assigns, contractors or any other person, firm or corporation working unnder APPLICANT'S real or apparent authority, shall perform the work in a manner satisfactory to DIVISION. Damage to the road resulting at any time from work authorized under this permit shall be repaired by APPLICANT. Unsatisfactory repairs may be a corrected by DIVISION or its authorized agent and the cost thereof paid by APPLICANT.

5. DIVISION assumes no liability for damage to the proposed work by reason of construction or maintenance work on

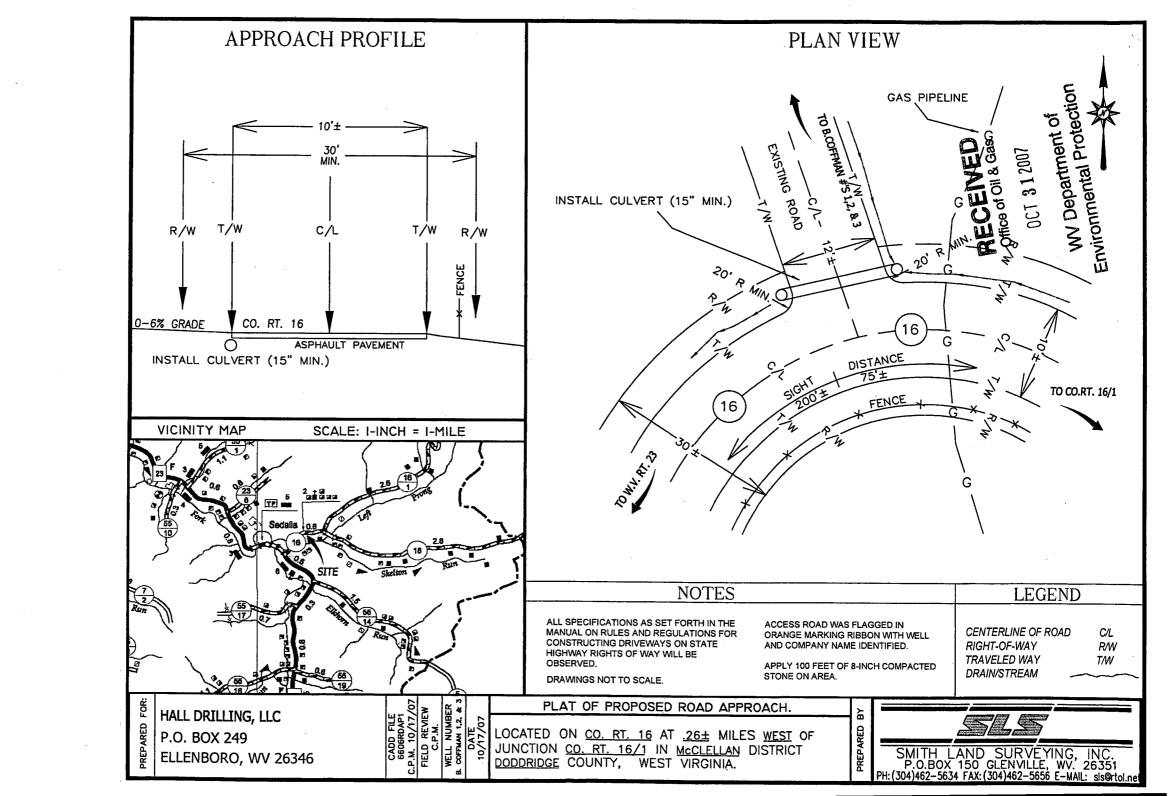
6. This permit is granted subject to removal of the authorized installation by APPLICANT at no cost to DIVISION when required for improvement of the road, and subject to all regulations now or hereafter adopted by DIVISION. 7. Utility installation shall be in accordance with the current manual, "Accommodation of Utilities on Highway Right of

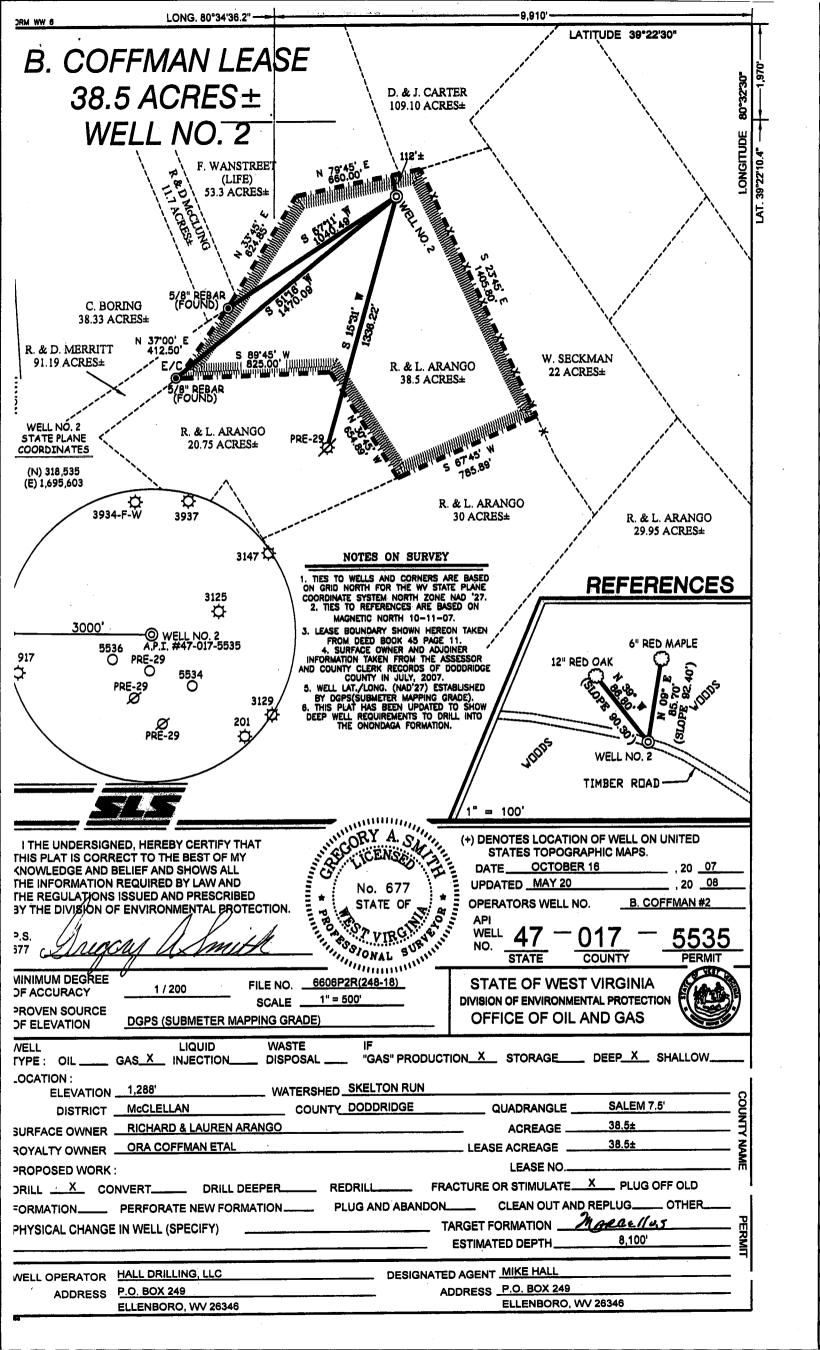
Way"

8. Driveways shall be in accordance with the current manual, "Rules and Regulations for Constructing Driveways on State Highway Rights-of-Way."

9. DIVISION reserves the right to cancel this permit at any time, should APPLICANT fail to comply with the terms and conditions under which it is granted.

10. This permit is granted only insofar as the DIVISION has a right to do so.

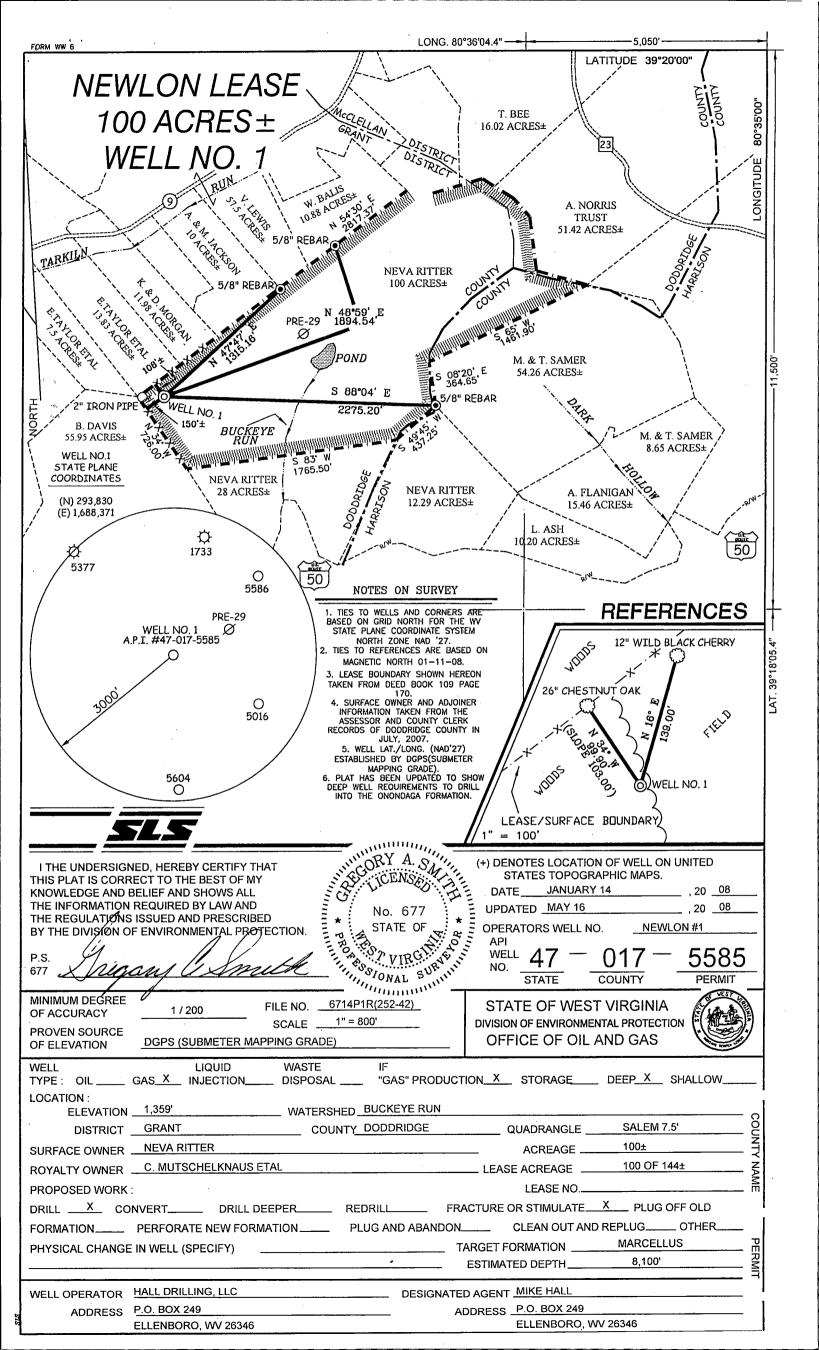


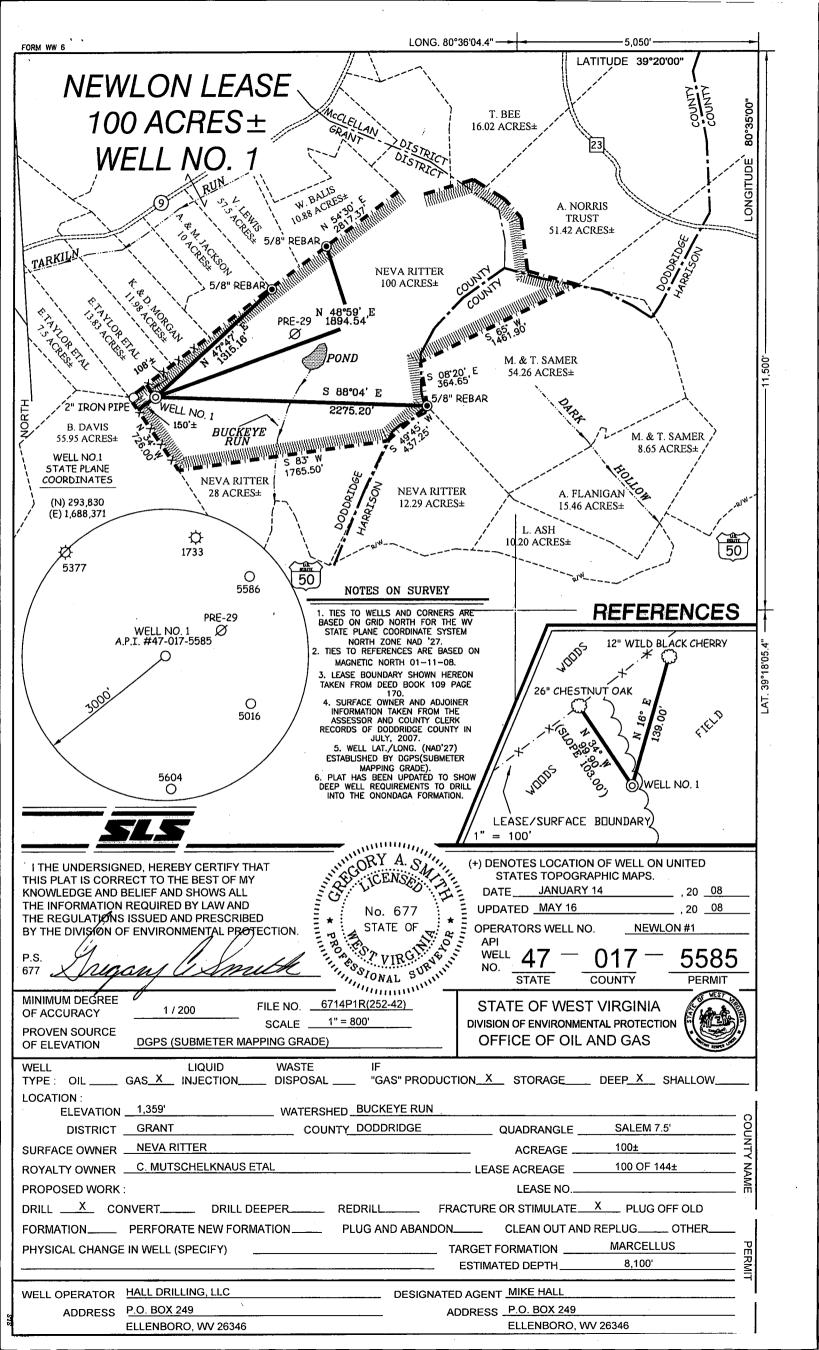


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Form: WW - 2E	3					110	
1				WEST VIRGI			••
DEPA	RTMENT		<u>/IRONMENTAL</u> /ELL WORK PI			F OIL AND GA	<u>45</u>
V.		<u> Y</u> Y	ELL WORK PI	KIVIII APPLI	CATION	. 3	59
1)Well Operato	or Hali	Drilling,	LLC		Doddridge	Grant	Salem 7.
	· · · · · · · · · · · · · · · · · · ·			Operator	County	District Q	uadrangle
				ID			
2) Operators V	Vell Num	ber: <u> </u>	Newlon No. 1	3) Elevation	on: <u>1359'</u>	
4) Well Type: (a) Oil	or G	asX		•		
(t) If Gas		iction_X_/ U				
		Deep		shallow _	<u>× </u>		
5) Proposed Ta	araet Fo	rmation(s): Marcellus				
6) Proposed To	_					 .	
7) Approximate					,	· · · · · · · · · · · · · · · · · · ·	
8) Approximate		-			·		·····
9) Approximate		-	<u> </u>) No		
10) Does land	contain	coai sea	ms tributary to	acuve mine	? <u>No</u>		
11) Describe p	roposed	well wo	rk To Drill	and Stimulat	e a New Well		
:							
						· · · · · · · · · · · · · · · · · · ·	
			•				
12)		CA	SING AND TU	RING PROGE	2ΔM		
•	PECIFIC	ATIONS	SING AND TO		INTERVALS	CEMEN	IT.
	Size		Weight per	For	Left in	Fill -up (Cu.	Ft.)
	<u> </u>	Olddo	ft	Drilling	Well	· · · · · · · · · · · · · · · · · · ·	
Conductor 🕅	103/04					<i>a</i>	
	133/94		22#	250'	2501 V	CTS / 11	}
Fresh Water	95/8"			1359'	1359'	> Miles	
Coal							
Intermediate	7"		16#	1900'	29001	By Kula 35 4-11.1	
Production	4 1/2"		1		01001	By Rule 35 CS	R
			11.60 #	8100'	8100'	4-11.1	
Tubing							
Liners							
Packers: Ki	nd			Dr.) F=== 1 .		·
	zes			Office	EIVED		
De	pths Se	t		Out Cer O	r Oil & Gas		
			66666666666666666666666666666666666666	FE8	€ 2008		********

WV Department of Environmental Frotectic







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

February 12, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705585, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: NEWLON, 1

Farm Name: RITTER, NEVA

API Well Number: 47-1705585

Permit Type: New Well Date Issued: 02/12/2008

Promoting a healthy environment.

Form: WW - 2	D					17-	05583
Form: vvvv - 2	D		STATE OF	WEST VIRGIN	<u>IIA</u>	. •	
DEPA	RTMENT	OF ENV	IRONMENTAL	PROTECTIO	N, OFFICE O	F OIL AND	GAS
\mathcal{W}		<u>Wi</u>	ELL WORK PE	RMIT APPLIC	CATION	7	59
1)Well Operat	or Hall	Drilling !	II C		Doddridge	Grant	Salem 7
ryven operat	.01 <u>11411</u>	Dining, .		Operator	<u> </u>	District	Quadrangle
				ID			
2) Operators \	Well Num	ber: <u>N</u>	lewlon No. 1	3)) Elevatio	on: <u>135</u>	9'
5) Proposed 1	b) If Gas: arget Fo	Produce Deep	ction <u>X</u> / L / S s): <u>Marcellus</u>	Shallow	Storage X		
6) Proposed 7) Approxima				75'			
8) Approxima							
9) Approxima	te coal se	am depti	hs: <u>Non</u>				
10) Does land	contain	coal sear	ns tributary to	active mine	<u> </u>		
11) Describe	proposed	well wor	rk To Drill	and Stimulate	e a New Well		
	 	 					
	· · -						
			÷				
12)	2250516		SING AND TU			CEN	Ment
TYPE	SPECIFIC				INTERVALS		IENT.
	Size	<u>Grade</u>	Weight per ft	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (C	u. Ft.)
Conductor \(\)	133/84			250'	2501 Y	e 75	
Fresh Water	95/8"			1359'	1359'	CTS MI	
Coal							
Intermediate	7"			1900'	29001	by Kule	75 C570 1.1
Production	4 1/2"			7800'	7775'	By Rule 35 4-11.1	CSR
Tubing					Γ		
Liners			· .				
	Kind Sizes			PEC	EIVED FOIL& Gas	_	
	epths Se	t		Uffice o	f Oil & Gas		

FEB 0 € 2008

WV Department of Environmental Fratedic

WW2-A	
Pavisad	8/02

Address

4) Surface Owner(s) to be served: (a) Name Neva Ritter

> 151 Valley Street Salem, WV 26426

1) Date: Januar

5) (a) Coal Operator

January 15, 2008

2) Operator's Well Number: Newlon No. 1

3) API Well No.: 47 -

County -

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Name Address

				ner(s) with Declaration
Address			Name <u></u>	N/A
			Address	
(c) Name			Name	
Address			Address	
6) Inspector	Mike Underv	wood	(c) Coal Less	see with Declaration
Address	Route 2 Box	k 135	Name	
	Salem, WV	26426	Address	
Telephone	304-552-387	' 4		
	TO THE	PERSONS NA	MED ABOVE TAK	E NOTICE THAT:
Included is t				racts by which I hold the right to extract o
and gas	110 10000 01 1000			· · · · · · · · · · · · · · · · · · ·
				•
<u>OR</u> OR Included is t	he information	required by Chapt	ter 22. Article 6. Sect	tion 8(d) of the Code of West Virginia (se
page 2)			, ,	
	hat as required	under Chapter 22-	-6 of the West Virgini	ia Code I have served copies of this notic
				 1 through on the above named partic
app,				
v:				
y:	Personal Se	ervice (Affidavit at	tached)	
ру: 		ervice (Affidavit at ail (Postmarked po		·)
	Certified Ma	ail (Postmarked po	ostal receipt attached))
<u>x</u>	Certified Ma Publication	ail (Postmarked po (Notice of Publica	ostal receipt attached ation attached)	
X I have rea	Certified Ma Publication ad and understa	ail (Postmarked po	ostal receipt attached ation attached)	agree to the terms and conditions of a
I have reappermit issued un	Certified Ma Publication ad and understa	ail (Postmarked po	ostal receipt attached ation attached) and 35 CSR 4, and I	agree to the terms and conditions of a
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17-05585

Royalty Book/Page

Form WW-2A-1 (8/02)

Clarence W. Mutschelknaus

Operator's Well Number Newlon No. 1

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc. 1/8th 137/735 Clarence W. Mutschelknaus Virginia E. Moore, et al W.I. XB 220/478

Bluestone Energy Partners

Grantee, lessee, etc.

RECEIVED Office of the R Gas

FEB 0 6 2008

was a non-receipt of Environmental Protection

Well Operator:

By: Its:

Hall Drilking, LL

Mike Hall

Designated Agent

FORM WW2-B1

	17-05585
Well No	Newlon No. 1

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

Contractor Name	Smith Land Su	Smith Land Surveying, Inc. – Environmental Division		
Well operator's pr	ivate	RECEIVED		
laboratory		Office of Oil & Gas		
Well Operator	Hall Drilling, LLC	FEB 0 6 2008		
Address	P.O. Box 249	at the time of the same of the		
	Ellenboro, WV 26346	+/\/ Department of Environmental Protectio		
Telephone	304-869-3405			
. -				

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Newlon No. 1

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

#1236 # 650-2



Hall Drilling

LEASE NAME AND NUMBER:

OPERATOR:

ENVIROMENTAL DIVISION

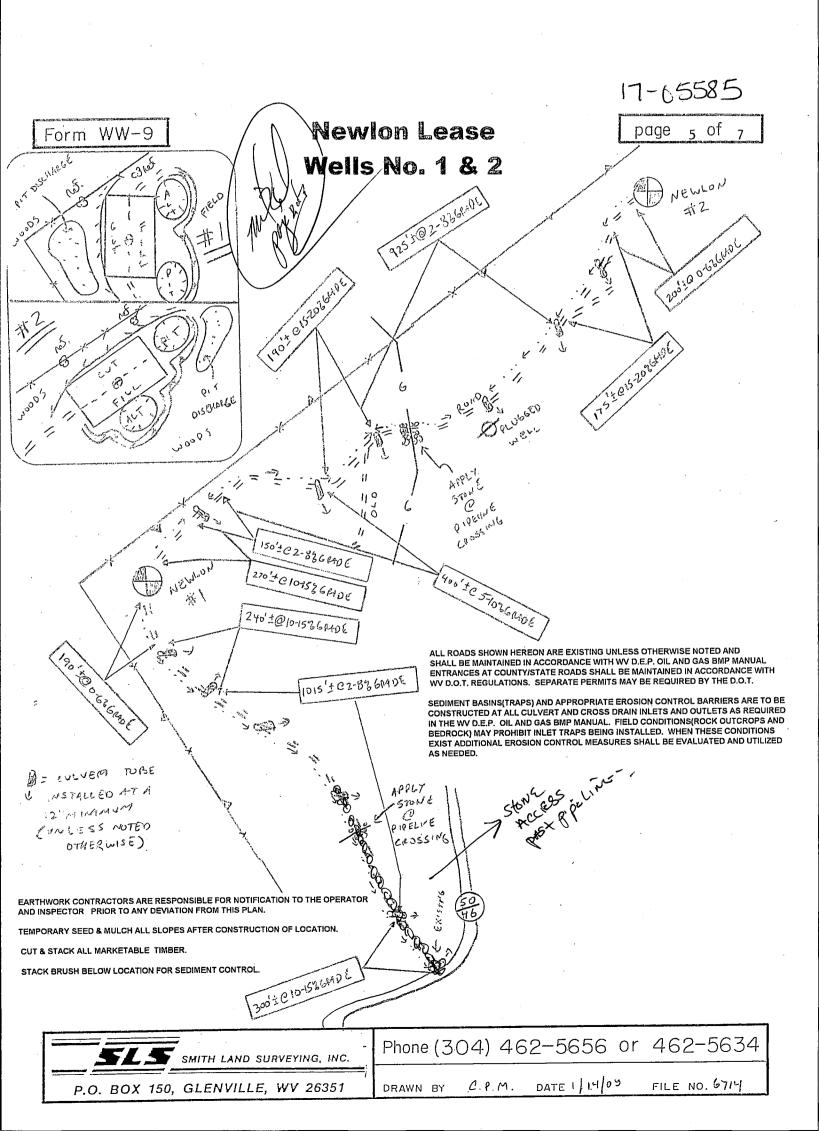
P.O. BOX 150, GLENVILLE, WV 28351

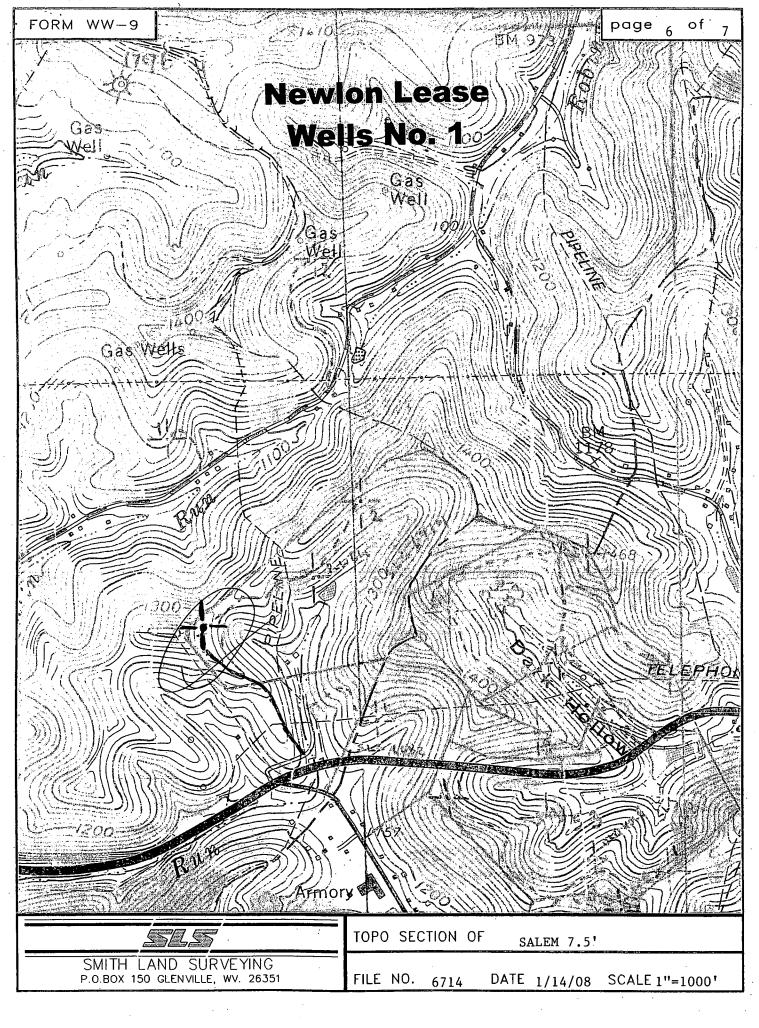
(204) 482 5824 - EAV 480 5050

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

Newlon 1

•	COMMENTS
Consumption or other purposes within 100 landowners have been notified of the opportune of	ounding the proposed well site revealed the below y utilizing groundwater (potable) for Human 0' of the proposed well site. The following rtunity to request a water sample should it be
*Please note that the following information is subje	
	ONTACTED OR NOTIFIED
Owner/Occupant: Neva Ritter	
Address: 151 Valley St. Salem, WV 25276	Letter/Notice Date: 1/23/08
Comments:	
Owner/Occupant:	
Address:	Letter/Notice Date:
Comments:	
•	
Owner/Occupant:	
Address:	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Comments:	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Address:	Latter/Nation Date:
Comments:	Letter/Notice Date: RECEIVED
	Office of OH & Gas
	FEB 0 6 2008
6714.potential.Hall.NewlonI	WV Department of Environmental Protection
i	But I sale to remain a sale of the





TYPE: OIL GAS_X INJECTION	DISPOSAL "GAS" PRODUCT	ION_X_ STORAGE	DEEP SHALLOWX_	-
LOCATION : ELEVATION	WATERSHED BUCKEYE RUN			ا
DISTRICT GRANT	COUNTY DODDRIDGE	QUADRANGLE	SALEM 7.5'	일
SURFACE OWNER NEVA RITTER		ACREAGE	100±	扎
ROYALTY OWNERC. MUTSCHELKNAUS ETAL		LEASE ACREAGE	100 OF 144±	NAME
PROPOSED WORK:		LEASE NO	ř	<u>≅</u>
DRILL X CONVERT DRILL DEEP	ER REDRILL FRA	ACTURE OR STIMULATE	X PLUG OFF OLD	ı
FORMATION PERFORATE NEW FORMATION	ON PLUG AND ABANDON_	CLEAN OUT AND F	REPLUG OTHER	-
PHYSICAL CHANGE IN WELL (SPECIFY)	Т,	ARGET FORMATION	MARCELLUS	ᇛ
		ESTIMATED DEPTH	7,800'	PERMII
WELL OPERATOR HALL DRILLING, LLC	DESIGNATE	D AGENT MIKE HALL		[]
ADDRESS P.O. BOX 249		DDRESS P.O. BOX 249		
ELLENBORO, WV 26346	•	ELLENBORO, WV	26346	

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County

Harrison

Operator

Hall Drilling, LLC

Operator well number

NEWLON NO. 1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

, NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;

3) Damage would occur to publicly owned lands or resources;

4) The proposed well work fails to protect fresh water sources or supplies;

5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories</u>. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERSON

FOR EXECUTION BY A CORPORATION, ETC.

Dun Pitte	Office of Oil & Gas Co Date FEB 0 6 2 By	mpany	
Signature	FEB 0 6 2000 By		
	lts		Date
	Environmental Protection	Signature	Date
	Environment		

17-05585

BLUESTONE ENERGY PARTNERS

Trust is our greatest resource:

February 4, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well locations:

- * Newlon No. 1
- * Newlon No. 2

Also enclosed is check no 1236 in the amount of \$1,300.00 for the permit fees. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,

Annalisa Dobbins

Administrative Assistant

RECEIVED
Office of Anna Mas

FEB (6:503

Environmental Lies

GRB:ad

Enclosures: Well packages for Newlon No. 1 and No. 2

Check No. 1236-\$1,300.00

Sale	m	
Operator:	HALL DRILLIN	NG, LLC
API:	1705585	
WELL No:	NEWLON, 1	
Reviewed by:	<u>Ja</u>	Date: <u>2-11-08</u>
Due Date:	W_	·

CHECKLIST FOR FILING A PERMIT

New Well

,	
	WW-2B
2	Inspector signature on WW-2B
\swarrow	WW-2A (Notarized)
	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
\times	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
X	WW-9 (Page 1 & 2) (Notarized)
3	Inspector Signature on WW-9
	Reclamation plan
	Topographic Map of location of well
	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
	Company is Registered with the SOS
\square	Worker's Compensation / Unemployment Insurance account is OK
	\$650.00 check (\$550.00 if no pit)

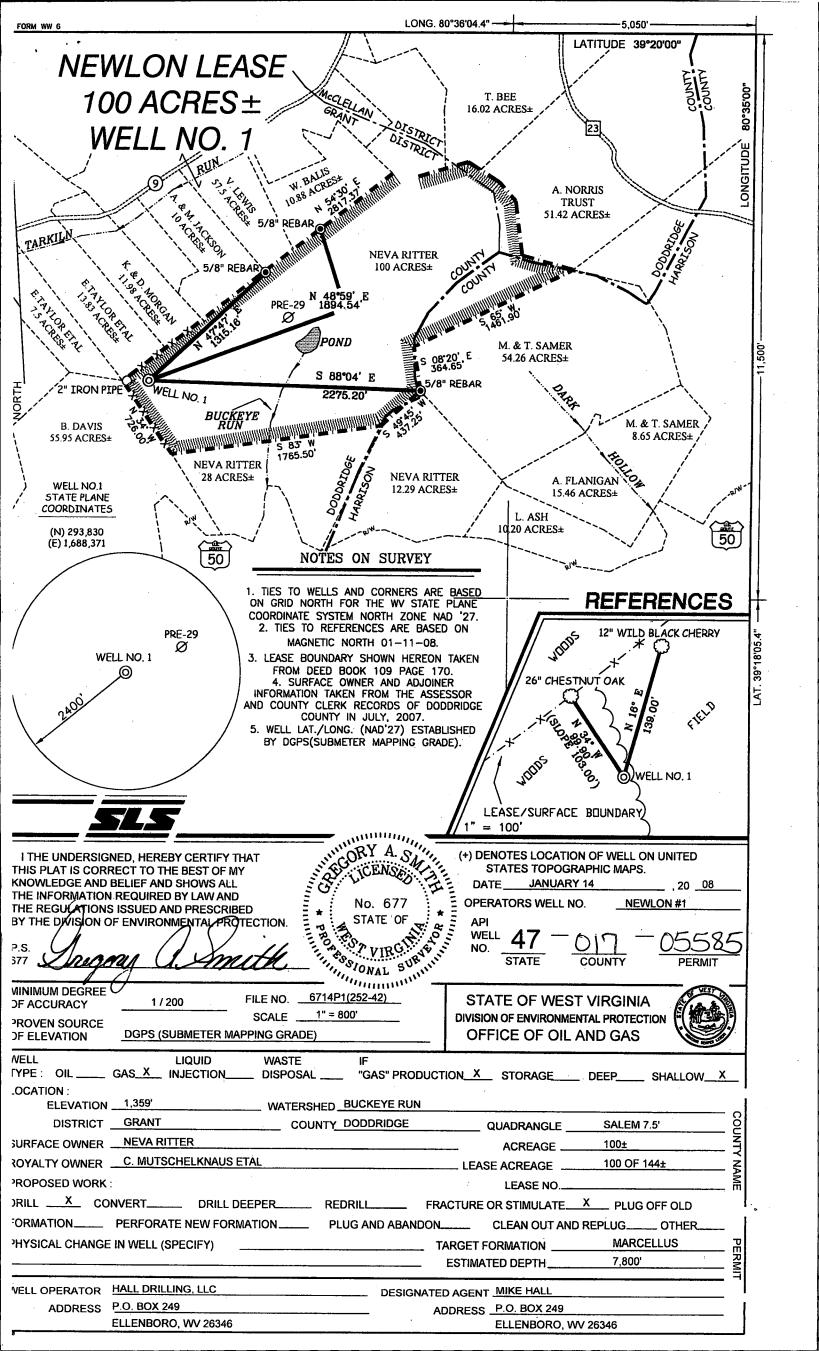
FORM WW-9 Rev. 02/03

My commission expires_

Pag	ge <u>4</u>	of_	7
API Number 47 - 1	<u> </u>	055	85
Operator's Well No.	Newlo	n No. 1	

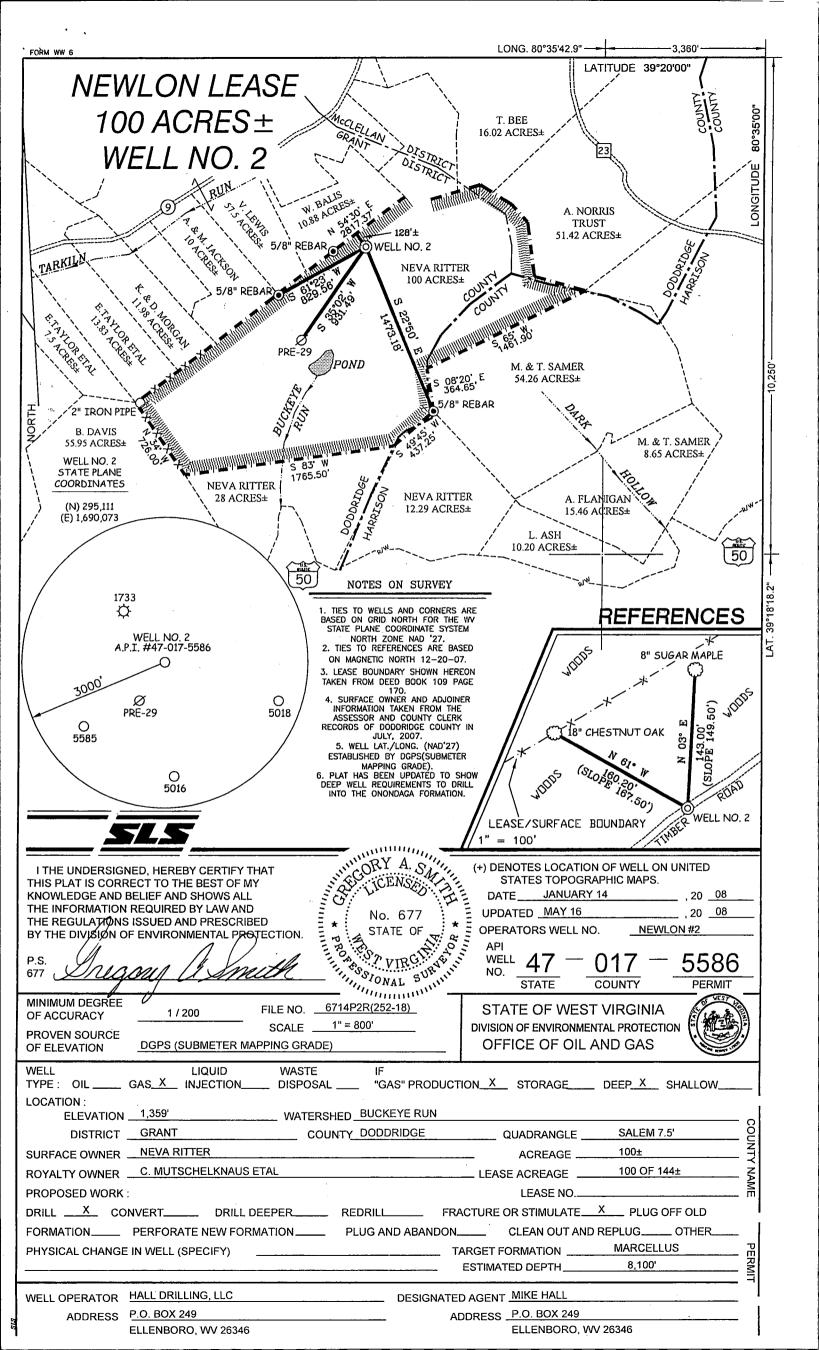
STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

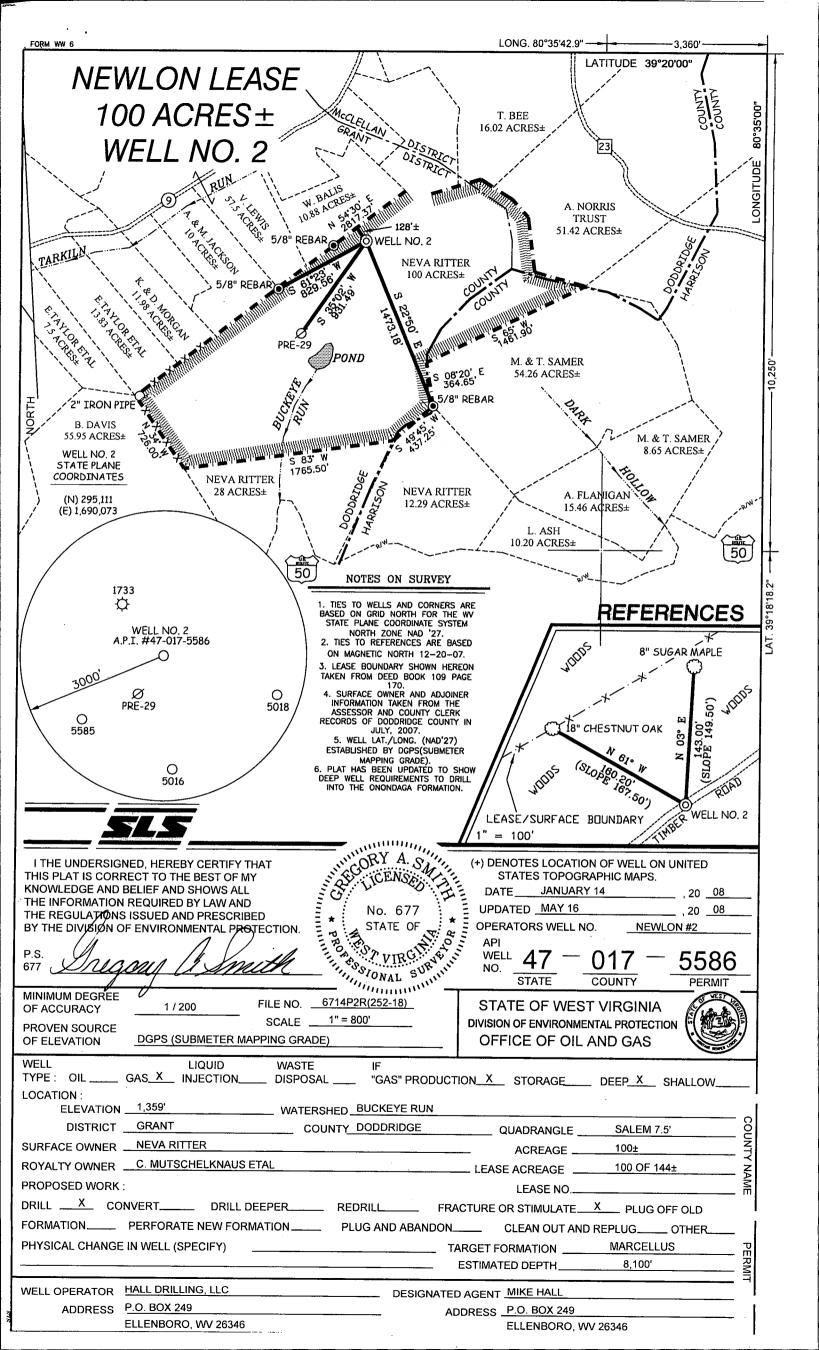
Operator Name <u>Hall Drilling, LLC</u>			OP Code
Watershed Buckeye Run		Quadrangle _	Salem 7.5'
Elevation 1359'	County _	Doddridge	District Grant
Description of anticipated Pit Waste:	Drill Water,	Frac Blow Back & Various I	Formation Cuttings
Will a synthetic liner be used in the pit?	Yes.	•	
Reuse (at API	ion njection (U Number sal (Supply:	IC Permit Number form WW-9 for disposal loca	House Mount
Proposed Work For Which Pit Will Be United States See See See See See See See See See S		X Swabbing Plugging	FEB 0 6 2008 WV Department 1 Environmental Protection
December 31, 1999, by the Office of Oi provisions of the permit are enforceable for regulation can lead to enforcement action I certify under penalty of law application form and all attachments ther	and Gas of by law. Violon. that I have eto and that, mation is true possibility	the West Virginia Division alations of any term or condition personally examined and are based on my inquiry of those, accurate, and complete.	NERAL WATER POLLUTION PERMIT issued or of Environmental Protection. I understand that the on of the general permit and/or other applicable law in familiar with the information submitted on this is individuals immediately responsible for obtaining I am aware that there are significant penalties for



Form: WW -	2B					17	-055
DE		T 05 51	STATE OF	WEST VIRG	INIA		
/V/ DEI	<u>'AKIMEN</u>	T OF EN	VIRONMENTA VELL WORK P	L PROTECTION OF THE PROTECTION	ON, OFFICE (OF OIL AND	GAS
γV		· <u>·</u>	TELE WORK	*	ICATION (7)	3	596
1)Well Opera	ator <u>Hal</u>	l Drilling,	LLC		Doddridge		Salem 7.
				Operator ID	County	District	Quadrangle
2) Operators	Well Nur	mber:	Newlon No. 2	- ;	3) Elevati	on: <u>135</u>	9'
4) Well Type	: (a) Oil_ (b) If Gas	: Produ	uctionX_/	Underground Shallow	Storage	·	
6) Proposed7) Approxima8) Approxima9) Approxima	Total Dep ate fresh ate salt w ate coal s	oth: <u>780</u> water stra ater dept eam dept	ata depths: hs:	75'	? No		
	•				<u> </u>		
i i) Describe	brobosed	ı weli wo	rk <u>To Drill</u>	and Stimulat	e a New Well		· · · · · · · · · · · · · · · · · · ·
							
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12)		CA	SING AND TU	BING BBOGI	2 A B #		
•	SPECIFIC	CATIONS	ONO AND 16		<u>vani</u> Intervals	S CEM	ENT
	Size	Τ	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (C	
Conductor	133/8"		みよ#	2501	2501	CKS	
Fresh Water	93/81			1359'	1359'	CTS	itst)
Coal	· · · · · · · · · · · · · · · · · · ·					700	
Intermediate			16#	29001	29001	by Lule 17.	25 (576)
Production	4 1/2"		11.601	81001	81001	By Rule 35 4-11.1	CSR
Tubing							······································
Liners							
	Kind Sizes						
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36				Office of O FEB 0 €		994 ná 2040 (po poen	4 to 2 i and to 2000
(9)	•		•	1 FD & Q	しんじゅき		

WV Department Environmental Pro.







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

February 12, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705586, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: NEWLON 2

Farm Name: RITTER, NEVA

API Well Number: 47-1705586

Permit Type: New Well Date Issued: 02/12/2008

Promoting a healthy environment.

Form: WW - 2E	17-0558									
			STATE OF	WEST VIRGIN	<u>AII</u>	, ,				
DEPA	RTMENT		IRONMENTAL			FOIL AND	<u>GAS</u>			
\mathcal{W}		<u>w</u>	ELL WORK PE	ERMIT APPLIC	CATION					
43344-11-0		D			17	3	596			
1)Well Operato	r <u>Hall</u>	Drilling,	LLC	Operator	Doddridge County		Salem 7.5			
				ID	County	District	Quadrangle			
2) Operators W	/ell Num	ber: <u> </u>	Newlon No. 2	3) Elevatio	on: <u>1359</u>) ,			
4) Well Type: (a	a) Oil) If Gas:	Produ	as <u>X</u> ction <u>X</u> / L	Inderground Shallow _	Storage X					
5) Proposed Ta 6) Proposed To 7) Approximate 8) Approximate 9) Approximate 10) Does land	otal Depte fresh was salt was coal se	th: <u>780</u> vater stra iter depth eam dept	0_Feet ata depths: hs: 900' hs: Non	e	No_No					
11) Describe p	roposed	well wo	rk <u>To Drill</u>	and Stimulate	e a New Well					
12) <u>CASING AND TUBING PROGRAM</u> TYPE SPECIFICATIONS FOOTAGE INTERVALS CEMENT										
	<u>Size</u>	<u>Grade</u>	Weight per ft	<u>For</u> <u>Drilling</u>	<u>Left in</u> <u>Well</u>	Fill -up (Cu	u. Ft.)			
Conductor	133/8"			2501	2501	CKS				
Fresh Water	95/811			1359'	1359'	CTS	(U)			
Coal	7 10			1.000		20.01				
Intermediate	711			29001	29001	by fully	5 (5)			
Production	4 1/2"			7800'	7775'	By Rule 35 (4-11.1	CSR			

Packers: Kind **Sizes**

Tubing

Liners

Depths Set

RECEIVED

FEB 0 6 2003

VV Department :
Environmental Proc. . .

WW2-A	
Revised	8/02

Address

4) Surface Owner(s) to be served:

151 Valley Street

(a) Name Neva Ritter

1) Date:

January 15, 2008

2) Operator's Well Number: Newlon No. 2

3) API Well No.: 47 -

5) (a) Coal Operator

OIT -

558Q

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Name

Address

	_	
**************************************	(b) Coal Owr	ner(s) with Declaration
		NA
	Address	
	Name	
	Address	find fire to a grown.
		Office Table
like Underwood	(c) Coal Les:	see with Declaration & Gas
		FEB 0 6 2008
		7 W 7 UU8
		Environment of
TO THE DEPONS NA	MED ABOVE TAK	ENOTICE THAT-SI Pro-
TO THE PERSONS NA	WIED ABOVE TAK	ENOTICE THAT:
as required under Chapter 25 ocation plat, and accompanyi Personal Service (Affidavit a Certified Mail (Postmarked p Publication (Notice of Public and understand Chapter 22-6 r this application.	2-6 of the <u>West Virgining</u> documents pages attached) bostal receipt attached cation attached) and 35 CSR 4, and I	a Code I have served copies of this notice 1 through on the above named parties) agree to the terms and conditions of any ed and am familiar with the information
	•	at the information is true, accurate and se information, including the possibility of
		,
ent.	Hall Drilling LLC	,
ent. Well Operator	Hall Drilling, LLC	
ent. Well Operator By:	Hall Drilling LLC Mike Hall Designated Agent	
ent. Well Operator By:	Mike Hall	
ent. Well Operator By:	Mike Hall Designated Agent	
ent. Well Operator By: Its: Address	Mike Hall Designated Agent P.O. Box 249	
ent. Well Operator By: Its: Address Telephone day	Mike Hall Designated Agent P.O. Box 249 Ellenboro, WV 26346 304-869-3405	
ent. Well Operator By: Its: Address Telephone	Mike Hall Designated Agent P.O. Box 249 Ellenboro, WV 26346 304-869-3405	. 2008
ent. Well Operator By: Its: Address Telephone day	Mike Hall Designated Agent P.O. Box 249 Ellenboro, WV 26346 304-869-3405 of	,
	information required by Chapter 2: as required under Chapter 2: ocation plat, and accompanyi Personal Service (Affidavit a Certified Mail (Postmarked p Publication (Notice of Publicand understand Chapter 22-6 r this application. der penalty of law that I ha application form and all atta	Address Iike Underwood

17-05586

Form WW-2A-1 (8/02)

Operator's Well Number Newlon No. 2

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantee, lessee, etc. Royalty Grantor, lessor, etc. Book/Page 1/8th Clarence W. Mutschelknaus Virginia E. Moore, et al 137/735 W.I. FB 220/478 Clarence W. Mutschelknaus **Bluestone Energy Partners**

> RECEIVED Office of Oil & Gas FEB 0 6 2008

WV Depariment - r Environmental Processing

Well Operator:

Hall Drilling, LLC

By:

Mike Hall

Its:

Designated Agent

17-05586

FORM WW2-B1

Well No. Newlon No. 2

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

tor Name Smith Land Surveying, Inc. – Environmental Division				
ivate	RECEIVED			
	Office of Oil & Gas			
Hall Drilling, LLC	FEB 0 6 2008			
P.O. Box 249	\$ \$ 18 P. The same as believes a country of the			
Ellenboro, WV 26346	Enviormental Procedic			
304-869-3405	Provide the state of the state			
	Hall Drilling, LLC P.O. Box 249 Ellenboro, WV 26346			

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Newlon No. 2

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



OPERATOR: Hall Drilling

LEASE NAME AND NUMBER:

ENVIROMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 28351

(304) 462-5634 • FAX 462-565A

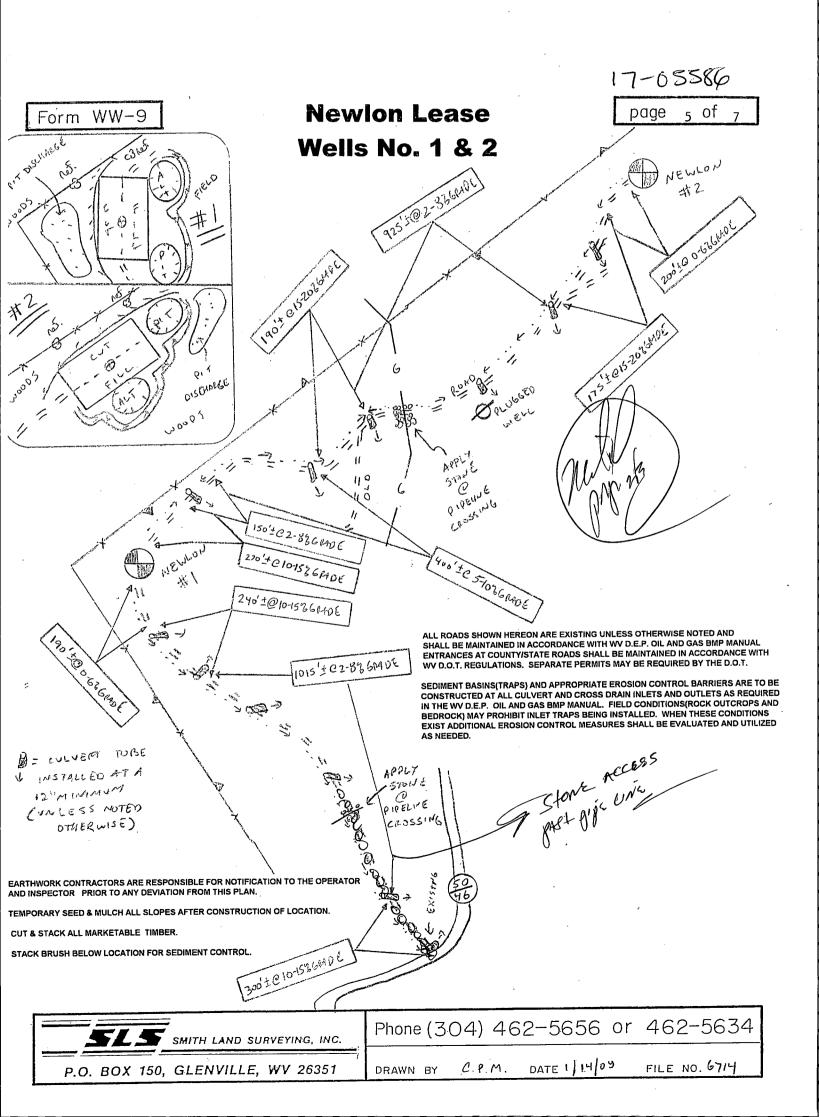
WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

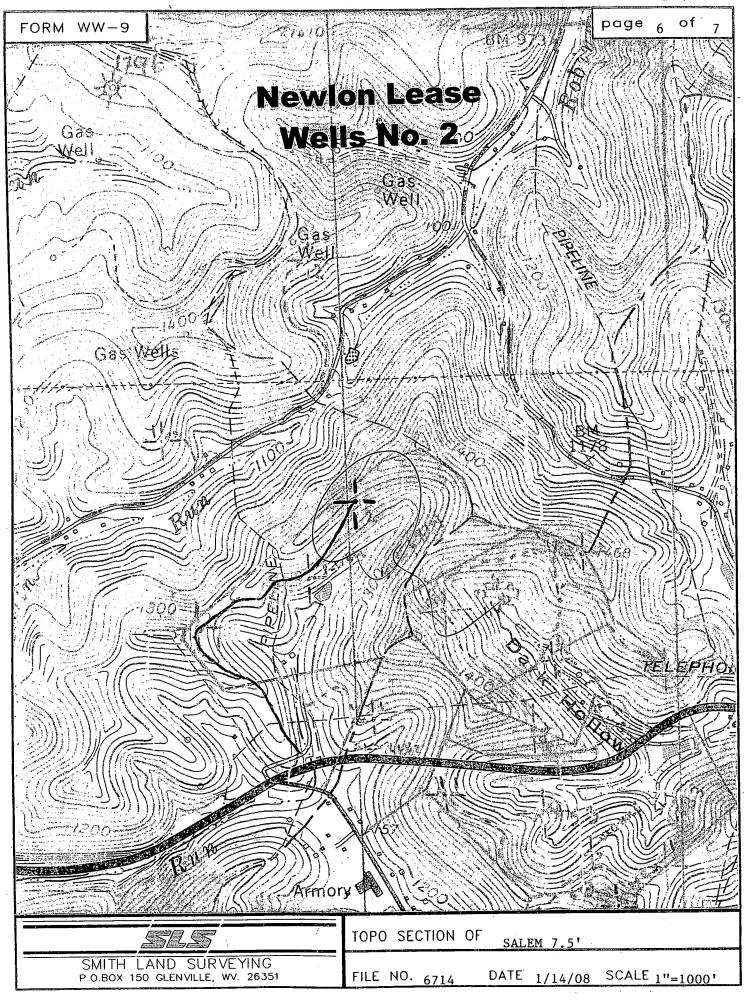
Newlon 2

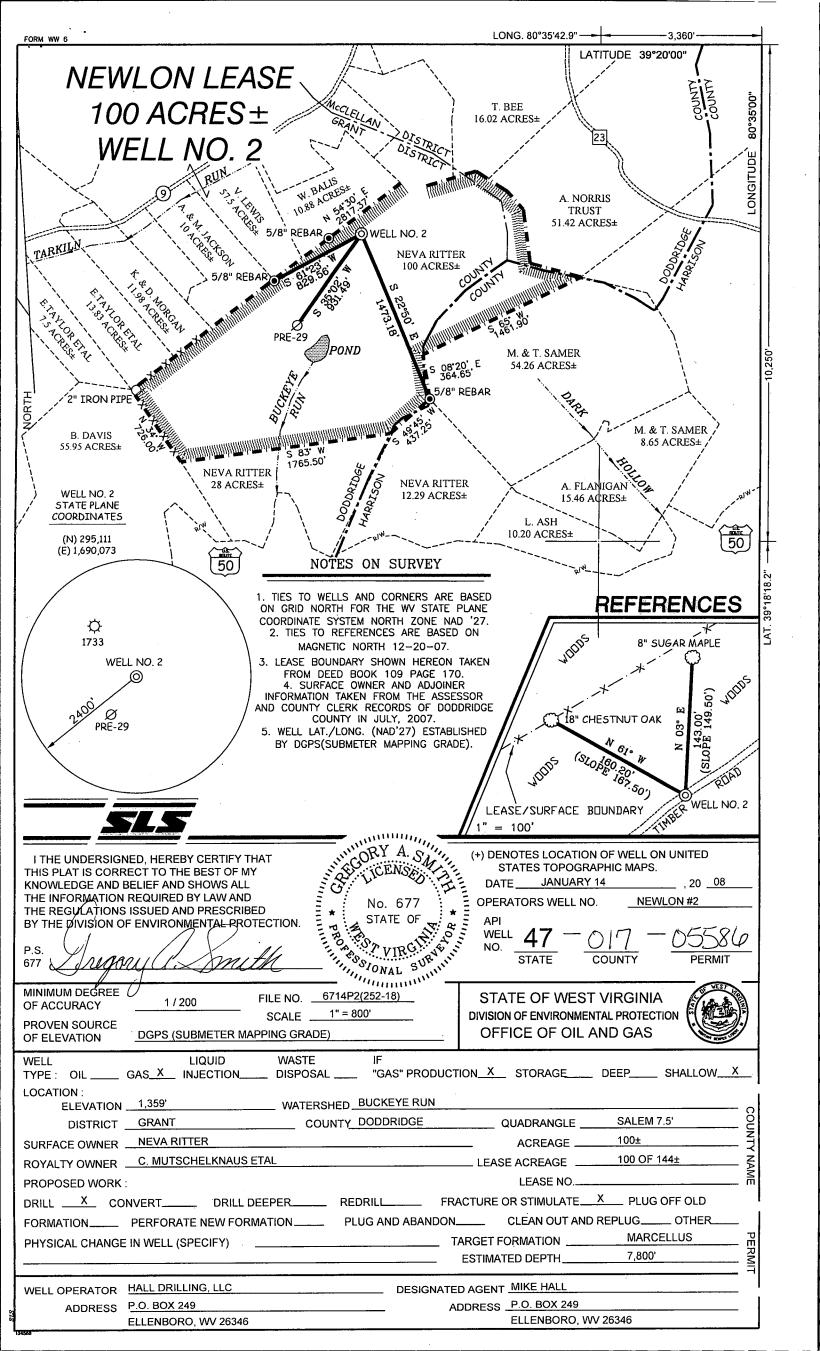
<u>COMMEN</u>	<u>TS</u>
The initial mapping review of the area surrounding the listed surface owner(s) that were potentially utilizing Consumption or other purposes within 1000' of the pulandowners have been notified of the opportunity to a necessary.	groundwater (potable) for Human roposed well site. The following request a water sample should it be
*Please note that the following information is subject to change	upon field inspection.
INDIVIDUAL CONTACTI	ED OR NOTIFIED
Owner/Occupant: Toby Bee	
Address: Rt. 2 Box 348 Salem, WV 25276 Comments:	_ Letter/Notice Date: 1/23/08
Owner/Occupant: Charles Stover	
A dalma a second	Letter/Notice Date: 1/23/08
Owner/Occupant: Rodney Curry Address: 8435 N. Stemmons Freeway Dallas, TX 75247 Comments:	_ Letter/Notice Date:
Owner/Occupant: Arlene Norris	
Address: PO Box 223 St. Marys, GA 31558 Comments:	Letter/Notice Date: 1/23/08
Owner/Occupant: Wilma Balis	
Address: Rt. 5 Box 80 Salem, WV 25276	Letter/Notice Date
Comments:	Office of the stars
	FEB 0 6 2008
6714.potential.Hall.Newlon2	Wy Department of Environmental Protection

1

Owner/Occupant:	Neva Ritter		
	ley St. Salem, WV 25276	Letter/Notice Date:	1/23/08
Owner/Occupant			
Address:			
<u> </u>			
Comments.			
<u> </u>			
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Owner/Occupant:			
		Letter/Notice Date:	
Comments:			
			,
Owner/Occupant:			
Address:		Letter/Notice Date:	
Comments:			
Owner/Occupant:		-	
Address:		Lottor/Notice Date:	
			
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ddress:	· · · · · · · · · · · · · · · · · · ·		
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	Office of Circle Cas		
	FEB- 0 6 ZUUN		
wner/Occupant:			·
ddress:	WV Dapartmost / /	Letter/Notice Date:	
comments:	Environmental Frui		
wner/Occupant:			
ddress:		Letter/Notice Date:	·
comments:			







FORM WW-9 Rev. 02/03

My commission expires_

	Page	4	of_	7
API Number 47 -	017		055	584
Operator's Well N	lo. Ne	wlon	No. 2	

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

- F	Hall Drilling, LLC	OP Code
Watershed	Buckeye Run Quad	rangle Salem 7.5'
Elevation 1	County <u>Doddridge</u>	District Grant
Description of	anticipated Pit Waste: <u>Drill Water, Frac Blow Back &</u>	Various Formation Cuttings
Will a syntheti	c liner be used in the pit? <u>Yes.</u>	
Proposed Disp	osal Method For Treated Pit Wastes: X Land Application Underground Injection (UIC Permit Number Reuse (at API Number	
	Off Site Disposal (Supply form WW-9 for disp Other (Explain	osal location) Office of Oil & Gas
Proposed Wor	k For Which Pit Will Be Used: X Drilling X Swabbing Workover Plugging Other (Explain	FEB 0 6 2008 VA Department of Environmental Protecti
		Totacti
December 31, provisions of to regulation can be application for the information submitting fals	Ify that I understand and agree to the terms and conditions of 1999, by the Office of Oil and Gas of the West Virginia he permit are enforceable by law. Violations of any term of an lead to enforcement action. If y under penalty of law that I have personally examine m and all attachments thereto and that, based on my inquirent, I believe that the information is true, accurate, and content in the possibility of fine or imprisonmental Signature	f the GENERAL WATER POLLUTION PERMI'Division of Environmental Protection. I understart condition of the general permit and/or other appear and am familiar with the information submit yof those individuals immediately responsible for mplete. I am aware that there are significant possible for the control of
December 31, provisions of to regulation care application for the information submitting fals	1999, by the Office of Oil and Gas of the West Virginia is the permit are enforceable by law. Violations of any term of an lead to enforcement action. if y under penalty of law that I have personally examine m and all attachments thereto and that, based on my inquiren, I believe that the information is true, accurate, and content in the possibility of fine or imprisonment in the possibility of fine or imprisonment.	f the GENERAL WATER POLLUTION PERMI'Division of Environmental Protection. I understart condition of the general permit and/or other appear and am familiar with the information submit yof those individuals immediately responsible for mplete. I am aware that there are significant possible for the control of
December 31, provisions of to regulation care application for the information submitting fals	1999, by the Office of Oil and Gas of the West Virginia he permit are enforceable by law. Violations of any term of an lead to enforcement action. ify under penalty of law that I have personally examine m and all attachments thereto and that, based on my inquirent, I believe that the information is true, accurate, and cone information, including the possibility of fine or imprisonmental Signature Cial (Typed Name) Mike Hall	f the GENERAL WATER POLLUTION PERMI'Division of Environmental Protection. I understart condition of the general permit and/or other appear and am familiar with the information submit yof those individuals immediately responsible for mplete. I am aware that there are significant possible for the control of

Sale	M	
Operator:	HALL DRILLING, LLC	
API:	1705586	
WELL No:	NEWLON 2	
Reviewed by:	Date: 2-11-08	
Due Date:	W	

CHECKLIST FOR FILING A PERMIT

New Well

,	
	WW-2B
K	Inspector signature on WW-2B
72	WW-2A (Notarized)
1	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
X	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
4	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
\bigvee	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
\searrow	WW-9 (Page 1 & 2) (Notarized)
-\$	Inspector Signature on WW-9
abla	Reclamation plan
\sum	Topographic Map of location of well
\square	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
$ \sqrt{} $	Bond
	Company is Registered with the SOS
7	Worker's Compensation / Unemployment Insurance account is OK
N	\$650.00 check (\$550.00 if no pit)

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County

Harrison

Operator

Hall Drilling, LLC

Operator well number

NEWLON No. 2

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

 NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION: Olf & Gas

Chief, Office of Oil and Gas

Department of Environmental Protection

601 57th St. SE

Charleston, Wv 25304

(304) 926-0450

FEB 0 6 2008

WV Department of Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources:
- The proposed well work fails to protect fresh water sources or supplies;
- The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

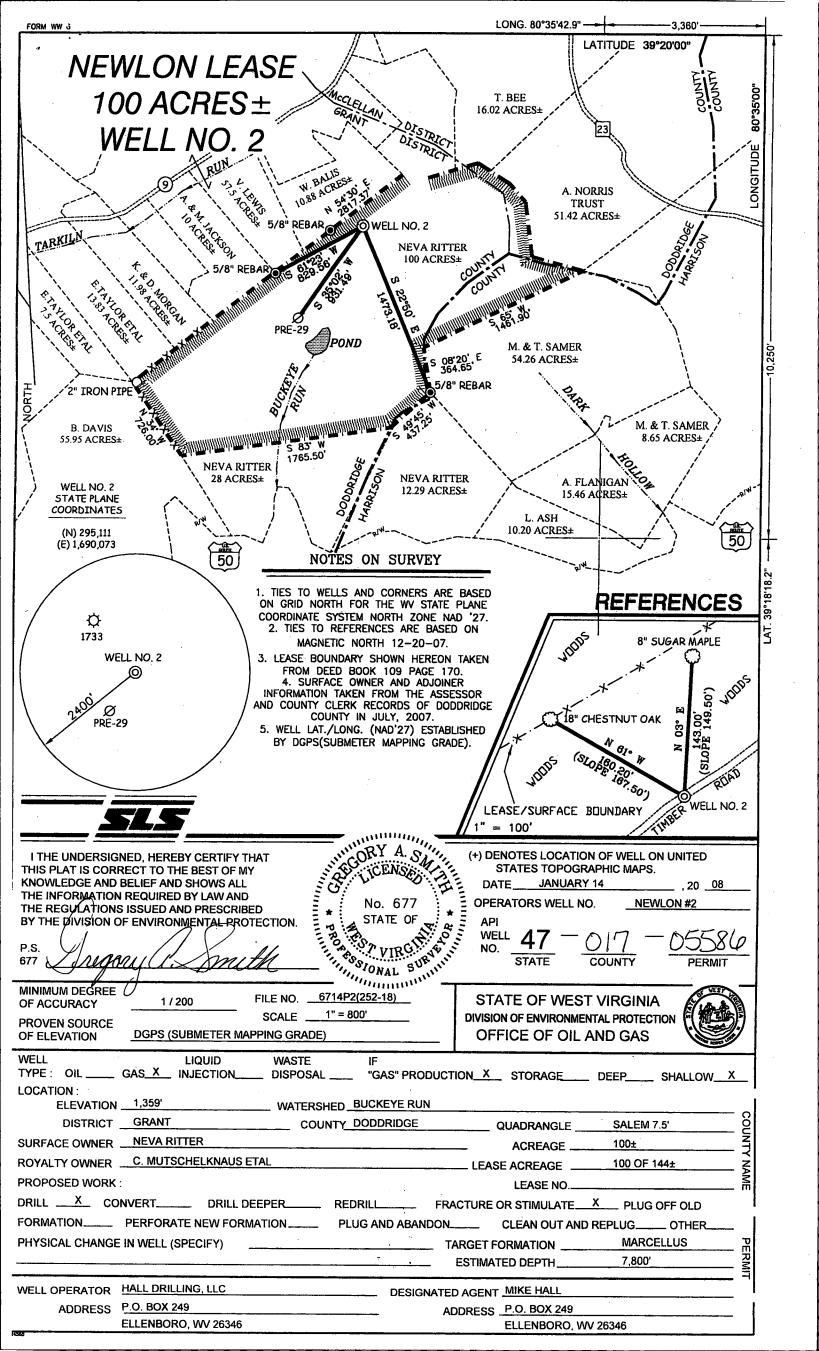
If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials. FOR EXECUTION BY A NATURAL PERSON.

		Compa	anv Wevecolion by w <i>c</i> ow	FORAHON, ETC.
I wa Witter	Date			
Signature		Ву		
·		Its		Date
•			Signature	Date



Form: WW - 2B

STATE OF WEST VIRGINIA

17-05645

\ DEPA	ARTMEN		IRONMENTAL			FOIL AND G	<u>iAS</u>
M		W	ELL WORK P	ERMIT APPLI	CATION		
₹,				*	17	- 5	5
1)Well Operat	tor <u>Hall</u>	Drilling,	LLC		Doddridge		Salem 7
				Operator ID	County	District	Quadrangi
2) Operators	Well Num	nber:(Chess No. 2	3) Elevation	on: <u>1250'</u>	
4) Well Type:		: Produ	as <u>X</u> ction <u>X</u> / (_ <u>X</u> / 5		Storage	·	
6) Proposed 7	Total Dep te fresh v	th:_ <i>8/oc</i> vater stra	ita depths: _	217'			
9) Approxima				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
			ms tributary to		No		
11) Describe	proposed	l well wo	rk <u>To Drill</u>	and Stimulate	a New Well		
12) TYPE \$	SPECIFIC		SING AND TU		AM INTERVALS	CEME	NT_
	<u>Size</u>	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu.	<u>. Ft.)</u>
Conductor	133/84		22#	270'	2401	@ 75 \ d	

	<u> </u>	AIIONO		TOUTAGE	INIEKVALS	CEMENT
	<u>Size</u>	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)
Conductor	133/84		22#	270'	2701	CTS \ hs/
Fresh Water	95/8"			1250'	1250'	CTS A
Coal						
Intermediate	7"		16#	2900'	2900 1	By Keele 35 CSX 4-16,1
Production	4 1/2"		11.50#	1900' 8100'	6/60'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers:

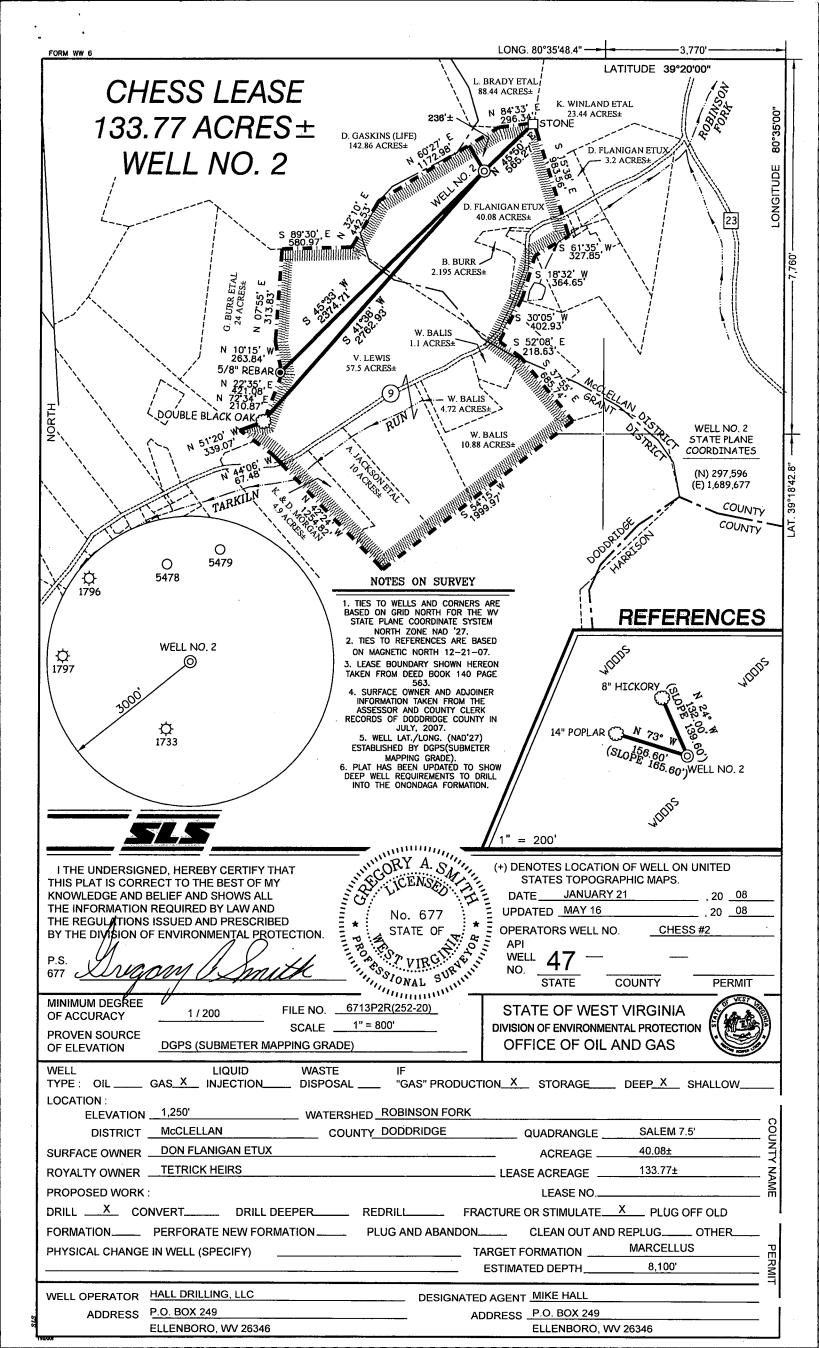
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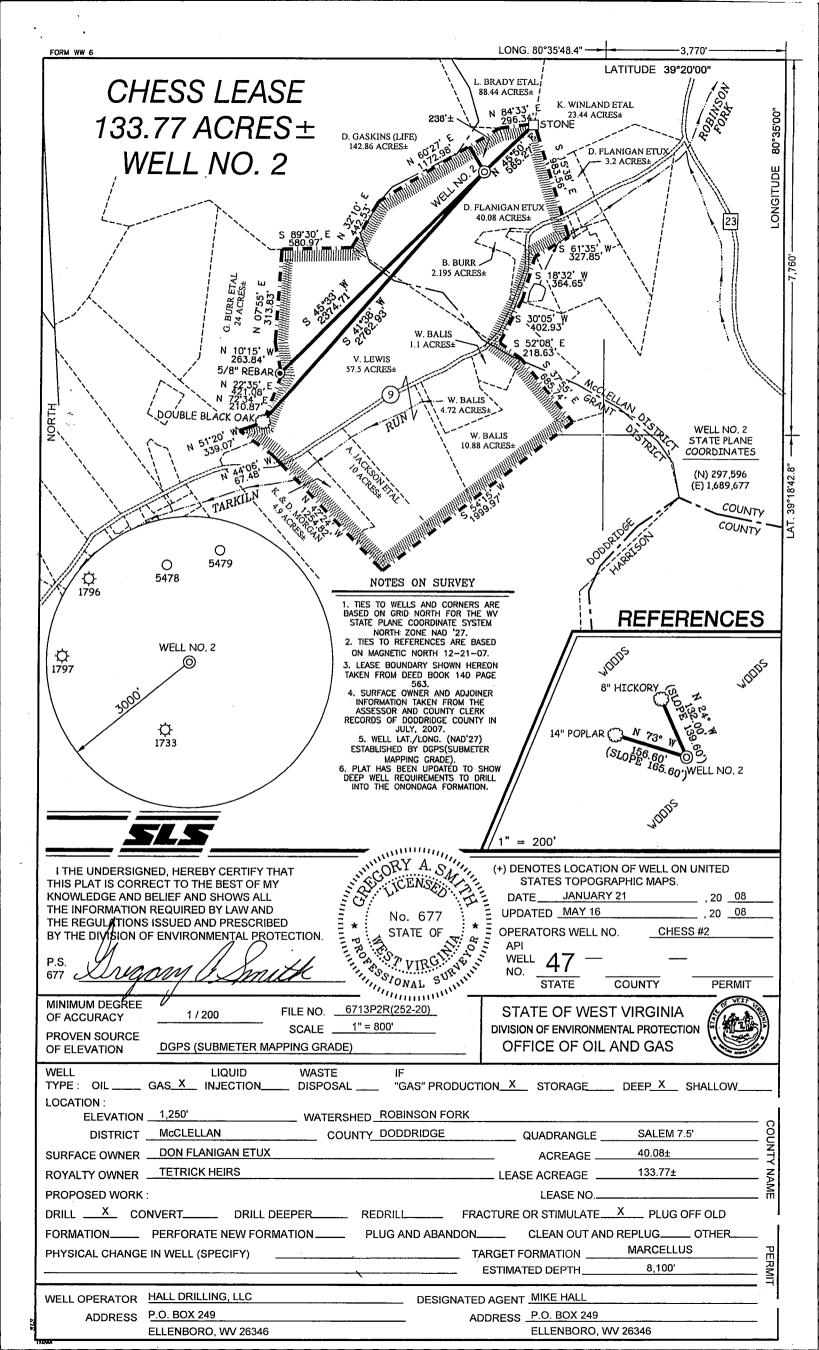
Sizes

Depths Set

Ck 012812 650

Office of Oil & Oc APR 03 2008 Environmental Protection







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

April 08, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705645, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: CHESS 2

Farm Name: FLANIGAN, DON

API Well Number: 47-1705645

Permit Type: New Well Date Issued: 04/08/2008

Promoting a healthy environment.

Form: WW - 2B

STATE OF WEST VIRGINIA

17-05645

TMENT OF ENVIRONMENTAL PROTECTION. OFFICE OF OIL AND GAS

DEPART	WENT OF LIVING MILITAL T			OIL AILD	<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>
Pr.	WELL WORK PERI	VIII APPLIC	ATION 17	5	591
1)Well Operator	Hall Drilling, LLC		Doddridge	McClellan	Salem 7.5
1/Well Operator	nan brinning, 220	Operator ID	County	District	Quadrangle
2) Operators Wel	I Number: <u>Chess No. 2</u>	3)	Elevatio	n: <u>1250'</u>	
4) Well Type: (a) (b) l	Oil or GasX f Gas: Production_X_/ Und Deep/ Sha				
5) Proposed Targ	get Formation(s): <u>Marcellus</u>	·		<u> </u>	•
, .	I Depth: 7800 Feet				
7) Approximate f	resh water strata depths: 21	7'			
8) Approximate s	alt water depths: <u>1400'</u>				
9) Approximate of	oal seam depths: None	·			
10) Does land co	ntain coal seams tributary to ac	ctive mine?	<u>No</u>		
11) Describe pro	posed well workTo Drill and	d Stimulate	a New Well		<u> </u>

CASING AND TUBING PROGRAM 12)

TYPE S	PECIFIC	ATIONS		FOOTAGE	INTERVALS	CEMENT
	<u>Size</u>	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)
Conductor	133/81			270'	2701	CTS h
Fresh Water	95/8"		<u> </u>	1250'	1250'	CTS /
Coal						
Intermediate	7"			1900'	1900 1 V	Jy Keele 35 CSX 4-14.1
Production	4 1/2"			7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners			1			

Packers:

Kind

Sizes

Depths Set

CR012812 650

Parios or on 8 acc

APR 0 3 2008

APR 0 3 2008

VIV DEPRITOR PROJECTION

1) Date:

January 23, 2008

2) Operator's Well Number: Chess No. 2
3) API Well No.: 47 - 05645

State

3) API Well No.: 47 -

County

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS **NOTICE AND APPLICATION FOR A WELL WORK PERMIT**

4) Surface O	wner(s) to be served: 🔪	5) (a) Coal Operator
(a) Name	Don Flanigan et ux	Name
Address	Rt. 5 Box 90	Address
	Salem, WV 26426	
(b) Name		(b) Coal Owner(s) with Declaration
Address		Name None
Addiess		Address
		Address
(c) Name		Name
Address		Address
6) Inspector	Mike Underwood	(c) Coal Lessee with Declaration
Address	Route 2 Box 135	Name
	Salem, WV 26426	Address
Telephone	304-552-3874	
-	TO THE PERSONS NA	MED ABOVE TAKE NOTICE THAT:
Included is t	the lease or leases or other contin	uing contract or contracts by which I hold the right to extract oil
and gas		
OR X Included is		
	the information required by Chap	ter 22, Article 6, Section 8(d) of the Code of West Virginia (see
page 2)	4b - 4	C of the Mark Vissinia Code I have seened assist of this water
		-6 of the <u>West Virginia Code</u> I have served copies of this notice g documents pages 1 through on the above named parties
by:	, a location plat, and accompanying	
by.	Personal Service (Affidavit at	ettached) ostal receipt attached) ation attached)
X		ostal receipt attached)
	Dublication (Nation of Dublic	ation attached)
l have re	ead and understand Chapter 22-6	and 35 CSR 4,and I agree to the terms and conditions of any
permit issued u	nder this application.	The state of the s
		e personally examined and am familiar with the information
		chments, and that based on my inquiry of those individuals
. •	sponsible for obtaining the info	rmation, I believe that the information is true, accurate and
complete.	are that there are cignificant nenal	ties for submitting <u>false</u> information, including the possibility of
fine and impriso		des for submitting false information, including the possibility of
mo ana mprioc	Well Operator	Hall Drilling, LLC
	By:	Mike Hall
	Its:	Designated Agent
	Address	P.O. Box 249
		Ellenboro, WV 26346
	7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	/PI 201 869 3405
	I sworn before me STAIday o	
this	1 200	Tele 208
		Notary Public
My Commission	1 Expires 4/18/2011	

Operator's Well Number Chess No. 2

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan:
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.

Grantee, lessee, etc.

Royalty Book/Page

Tetrick Heirs

Bluestone Energy Partners

1/8th

217/514

Environmental From School

Well Operator:

Hall Drilling

By:

Mike Hall

Its:

Designated Agent

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

	X	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
		Well operator's pr	ivate
_		laboratory	
		Well Operator	Hall Drilling, LLC
		Address	P.O. Box 249
		•	Ellenboro, WV 26346
		Telephone	304-869-3405
		-	<u> </u>

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. Environment (2) Protection If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Chess No. 2

NOTE: There appears to be 4± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



ENVIROMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 26351

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR:	Hall Drilling		
LEASE NAME	AND NUMBER:	Chess #2	

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

<u>INDIVIDUAL (</u>	CONTACTED OR NOTIFIED
Owner/Occupant: Dorothy Gaskins	
	Letter/Notice Date: 1/24/08
Comments:	
Owner/Occupant: David Hill	
Address: RR 5 Box 1198 Salem, WV 26426	Letter/Notice Date: 1/24/08
Comments:	
Owner/Occupant: Equitable Gas Co.	
	02 Letter/Notice Date: 1/24/08
Comments:	
Owner/Occupant:	,
Owner/Occupant:	
	Letter/Notice Date:
Comments:	
Owner/Occupant:	Letter/Notice Date: 100 100 100 100 100 100 100 100 100 10
Address:	Letter/Notice Date:
Comments:	Letter/Notice Date: 3100 100 100 100 100 100 100 100 100 10
	W. Madely
	Age of the state of
6713.potential.Hall.Chess2	CANALLY.

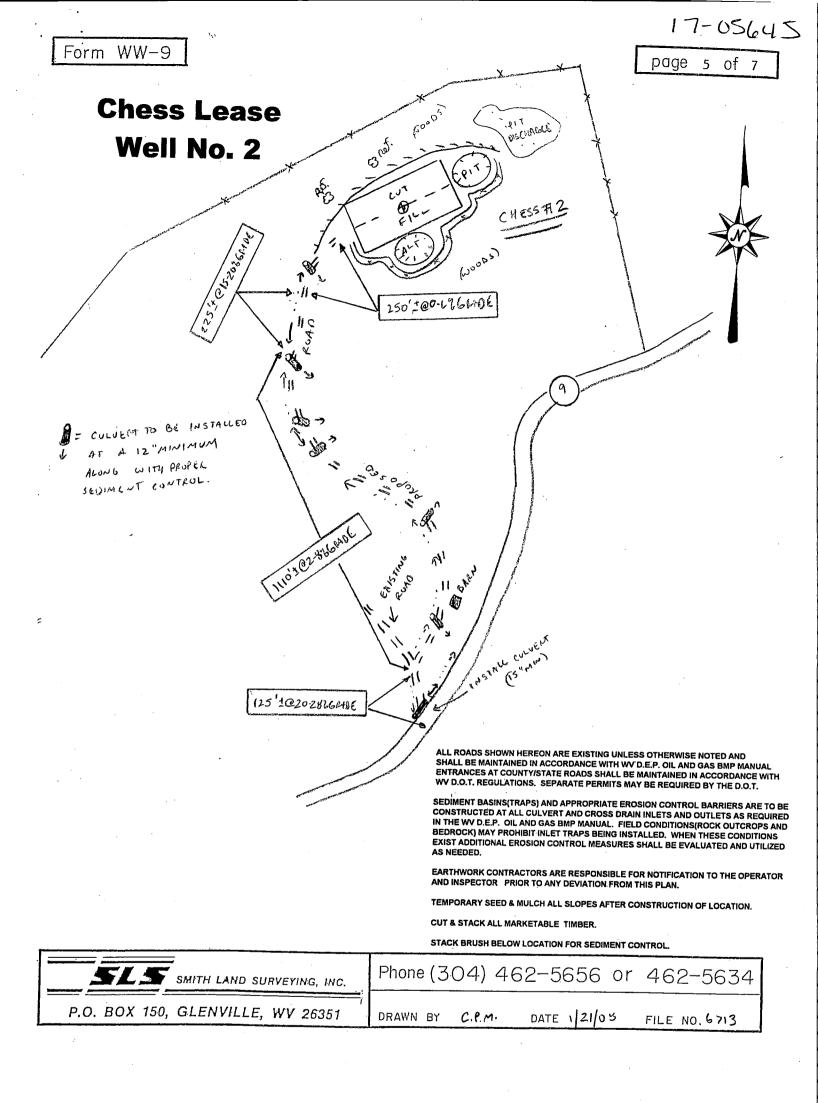
Page 4 of 7

API Number 47 - 017 - 05/645

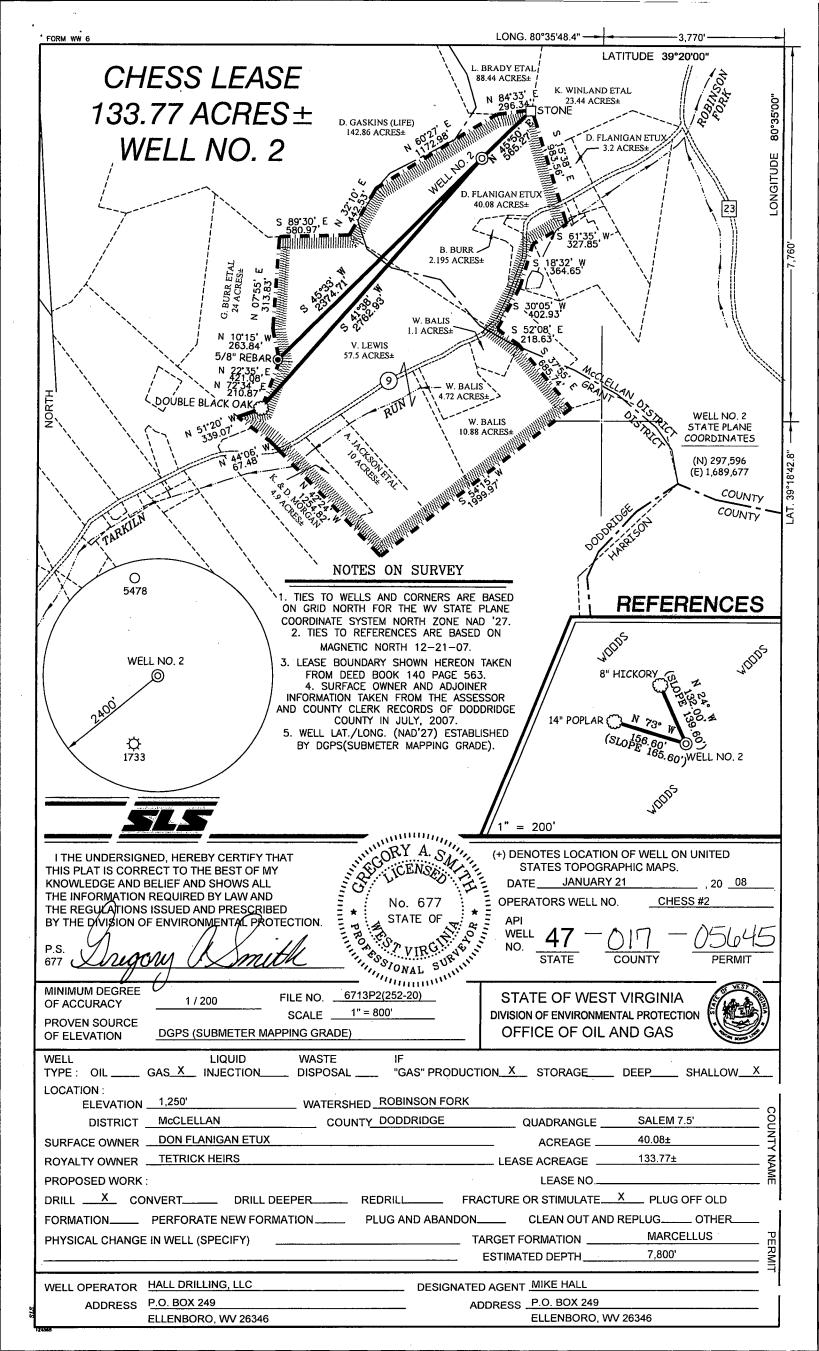
Operator's Well No. Chess No. 2

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name <u>Hall Drilling, LLC</u>			OP (Code	
Watershed Robinson Fork		**-	Quadrangle _	Salem 7.5'	·
Elevation 1250'	County	Doddridge		District _McCl	<u>ellan</u>
Description of anticipated Pit Waste:	Drill Water,	Frac Blow Back	& Various Form	ation Cuttings	
Will a synthetic liner be used in the pit	Yes.	•			
Proposed Disposal Method For Treated X Land Applie Undergroum Reuse (at A Off Site Dis Other (Expl	cation d Injection (U PI Number posal (Supply	form WW-9 for di	sposal location)		
Proposed Work For Which Pit Will Be Drilling Workover Other (Expl	Used:	X Swabbin Plugging	g		
I certify that I understand and December 31, 1999, by the Office of provisions of the permit are enforceable or regulation can lead to enforcement a I certify under penalty of lar application form and all attachments the information, I believe that the infinity submitting false information, including	Oil and Gas of e by law. Viol ction. w that I have sereto and that.	the West Virginia lations of any term personally examinated on my inqu	a Division of En or condition of ned and am far	nvironmental Protect the general permit miliar with the infolividuals immediate a aware that there	and/or other applicable law ormation submitted on this by responsible for obtaining are significant penalties for
Company Official Signature			and the second s	, Our.	0.25003
Company Official (Typed Name)	Aike Hall				
Company Official TitleDesignated	Agent				12. 12. 12. 12. 12. 12. 12. 12. 12. 12.
Subscribed and sworn before methis_	ska:	day of Tele	OF THE CONTROL OF THE	Notary Public	
My commission expires_	4/18/	12011			



FILE NO. 6713 DATE 1/21/08 SCALE 1"=1000'



· Sal	m		
Operator:	HALL DRILLI	NG, LLC	
API:	1705645		
WELL No:	CHESS 2		
Reviewed by:	- Ja	Date: _	4-16-08
Due Date:	٧, ٪		

CHECKLIST FOR FILING A PERMIT

New Well

	WW-2B
	Inspector signature on WW-2B
X	WW-2A (Notarized)
	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
4	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
J	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
X	WW-9 (Page 1 & 2) (Notarized)
N	Inspector Signature on WW-9
7	Reclamation plan
X	Topographic Map of location of well
Z	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
	company is Registered with the SOS
	Worker's Compensation / Unemployment Insurance account is OK
	\$650.00 check (\$550.00 if no pit)

Operator: Hall Drilling, LLC Operator's Well #: Chess No. 2

API Well #: 47- 017 0564

State County Perm

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named above is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.

WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas

Department of Environmental Protection

601 57th Street SE Charleston, WV 25304 Phone: (304) 926-0450 Fax: (304) 926-0452

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received via mail or fax by the Office of Oil & Gas by the end of the fifteenth day. You may call the Office of Oil & Gas to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other locuments, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons;
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

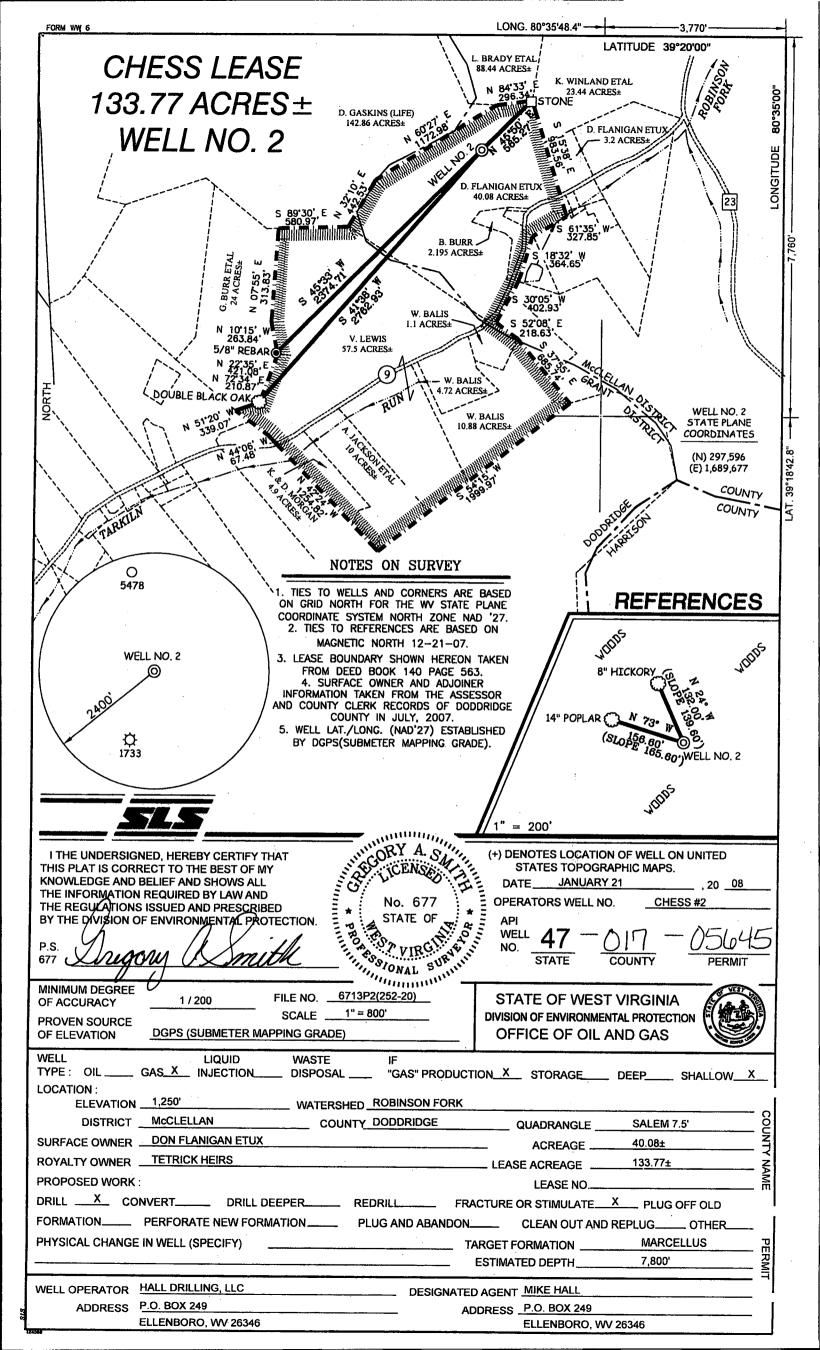
List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

<u>Damage Compensation.</u> Surface owners are entitled to compensation for damages to their property resulting from oil and gas drilling activity. Such damage compensation may be addressed pursuant to Article 7, Chapter 22 of the West Virginia Code.

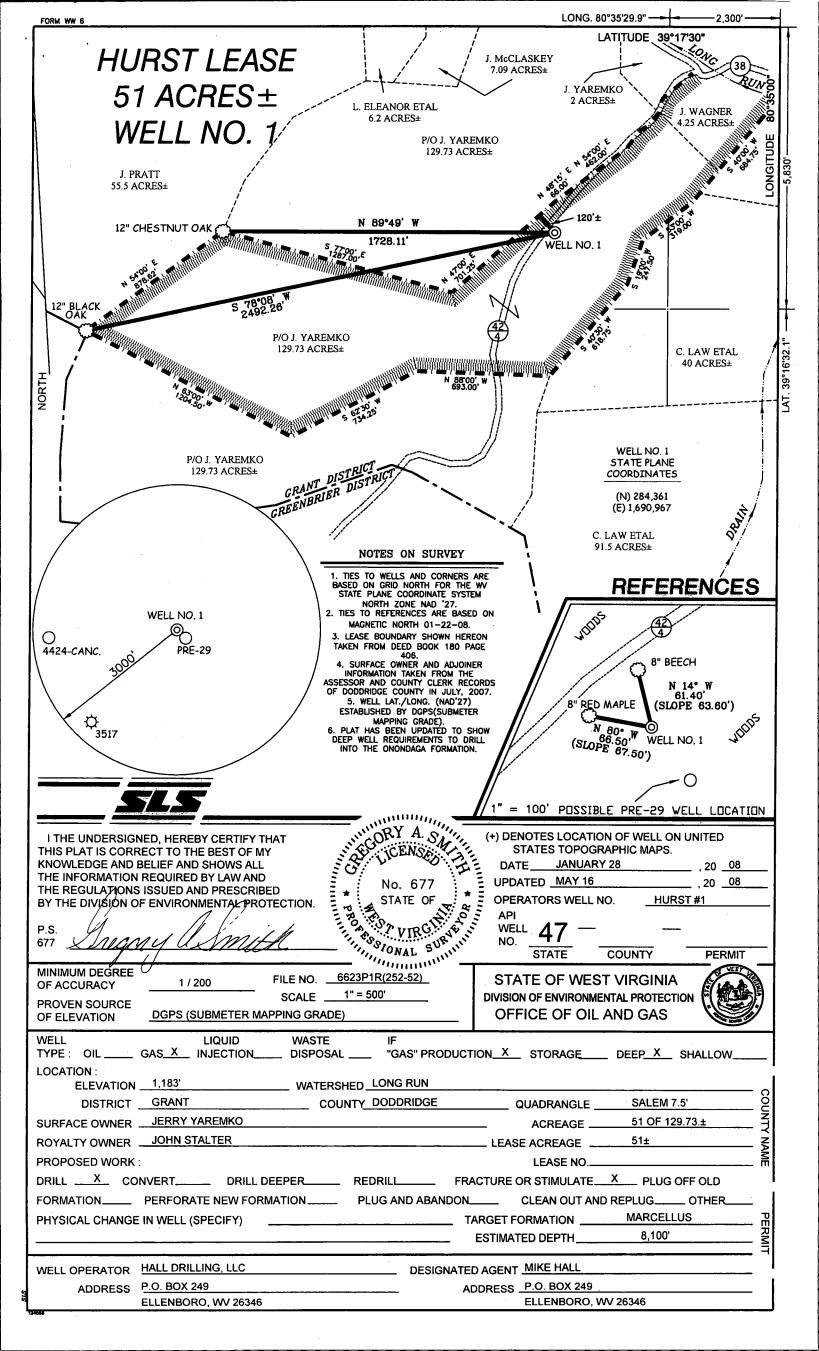
VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments including a work order on Form WW2-B, a survey plat, and a soil erosion and sedimentation control plan, all for proposed well work on my surface land as described therein. I further state that thave no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials. I have no objection to this well being drilled within 200 linear feet of my water well or dwelling.

FOR EXECUTION BY A NATURAL PERSON	FOR EXECUTION BY A CORPORATION, ETC.
Printed Name: DONE. FLANI GON	Company Name:
6:	Signed by:
Signature: Well & Thangar	Its:
Date: 2/13/08	Signature:
	Date:



DEF	ARIMEN	AL OF FV	VIRONMENT	<u>AL PROTEC</u>	LION, OFFICE	OF OIL AN	ID GAS
ľ			WELL WORK	PERMIT API	PLICATION	.н. О	
1)Well Opera	itor Ha	il Drilling	 1	· [Doddridg	l' う e Grant	5
			<u></u>	Opera		District	Sale: Quadr
							i
2) Operators	Well Nu	mber: <u> </u>	lurst No. 1	-	3) Eleva	tion: 11	83' ~
4) Well Type:	(a) Oil	or (Gas X				
.,	(b) If Ga		uction X /	Undergroup	nd Storage		•
		Deep	<u> </u>	Shallow			
5) Proposed	Target F	ormation	(s): <u>Marcellu</u>	_ /	1		
6) Proposed '	Total De _l	pth: <i>81</i> 0	Sol Feet	<u>s '</u>			•
7) Approxima	te fresh	water str	rata depths:	120'			
B) Approxima	te salt w	ater dept	ths: <u>130</u>			/ /	
9) Approxima	ite coal s Lcontain	eam dep	ths: No	ne .	· · · · · · · · · · · · · · · · · · ·		
o, Does land	Contain	coai sea	ms tributary t	o active mir	ne? <u>No</u>		
1) Describe	proposed	d well wo	ork To Drill	l and Ctimus	ate a New We	. /	/
, =	,		10 Dill	and Sumul	ate a New We		
			<u> </u>	Coal . John .		· · ·	1 1 2
			1 1	PERI MARY	Theiron NI	II to con	· hola.)
	· · · · · · · · · · · · · · · · · · ·			reshwater	Using No	11 torum	Elevation Elevation
				<u> </u>	Clasing No	1 torum	
2)						torur	
•	SPECIFIC	<u>CA</u>	ASING AND TU	IBING PROC	BRAM	K	Elevation
•		CATIONS	ASING AND TU	BING PROC	E INTERVAL	S CEI	Elevation MENT
•	SPECIFIC Size	CATIONS Grade	SING AND TU	BING PROCE	RAM E INTERVAL Left in	K	Elevation MENT
TYPE S	Size	CATIONS	SING AND TU Weight per	BING PROC	E INTERVAL	S CEI	Elevation MENT
TYPE S		CATIONS	SING AND TU	BING PROCE	RAM E INTERVAL Left in	S CEI	Elevation MENT
TYPE S	<u>Size</u>	CATIONS	SING AND TU Weight per	BING PROCE FOOTAG For Drilling	E INTERVAL Left in Well	S CEI Fill -up (C	Elevation MENT Cu. Ft.)
TYPE S Conductor Fresh Water	Size	CATIONS	SING AND TU Weight per ft	BING PROCE FOOTAG For Drilling	E INTERVAL Left in Well	S CEI	Elevation MENT Cu. Ft.)
TYPE S Conductor Fresh Water Coal	<u>Size</u>	CATIONS	Weight per ft	For Drilling	E INTERVAL Left in Well 250 /	S CEI Fill -up (C	Elevot.c
TYPE Sonductor resh Water coal	Size 3	CATIONS	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS CTS A k M	Elevation MENT Cu. Ft.) 85 C62
TYPE Sonductor resh Water coal	Size 3	CATIONS	Weight per ft	For Drilling	E INTERVAL Left in Well 250 /	S CEI Fill -up (C	Elevation MENT Cu. Ft.) 85 C68
TYPE S Conductor Fresh Water Coal Intermediate	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS CTS A k M The state of the state o	Elevation MENT Cu. Ft.) 85 C62
TYPE S Conductor Fresh Water Coal Intermediate Production	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS CTS A k M The state of the state o	Elevation MENT Cu. Ft.) 85 C68
TYPE S Conductor Fresh Water Coal ntermediate Production fubing Liners	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS CTS A k M The state of the state o	Elevation MENT Cu. Ft.) 85 C68
TYPE S Conductor Fresh Water Coal Intermediate Production ubing iners ackers: Ki	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS A K M By Rule 35 4-11.1	Elevation MENT Cu. Ft.) 85 C68
TYPE S Conductor Fresh Water Coal Intermediate Production fubing Liners ackers: Ki	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS A K M By Rule 35 4-11.1	Elevation MENT Cu. Ft.) 85 C68
TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners Ackers: Ki De	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183'	S CEI Fill -up (C CTS CTS A k M By Rule 35 4-11.1	Elevation MENT Cu. Ft.) 85 C68
TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183' 2900 / 6100'	S CEI Fill -up (C CTS CTS A KM By Rule 35 4-11.1	MENT Cu. Ft.)
TYPE S Conductor Fresh Water Coal Intermediate Production Tubing Liners	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183' 2900 / 6100'	S CEI Fill -up (C CTS CTS A KM By Rule 35 4-11.1	MENT Cu. Ft.)
Conductor Fresh Water Coal Intermediate Production Tubing Liners ackers: Ki Si De	Size 3	Grade	SING AND TU Weight per ft 22 ^{±t}	For Drilling 250 / 1183'	E INTERVAL Left in Well 250 / 1183' 2900 / 6100'	S CEI Fill -up (C CTS A K M By Rule 35 4-11.1	MENT Cu. Ft.)





west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax

Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

April 09, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705638, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: HURST 1

Farm Name: YAREMKO, JERRY

API Well Number: 47-1705638

Permit Type: New Well Date Issued: 04/09/2008

Promoting a healthy environment.

Form: WW - 2B

DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS **WELL WORK PERMIT APPLICATION** 1)Well Operator Hall Drilling **Doddridge Salem 7.5**' Operator County District Quadrangle 2) Operators Well Number: Hurst No. 1 Elevation: 3) 1183" 4) Well Type: (a) Oil_ or Gas (b) If Gas: Production X / Underground Storage Deep **Shallow** 5) Proposed Target Formation(s): <u>Marcellus</u> 6) Proposed Total Depth: 7800 Feet 7) Approximate fresh water strata depths: 8) Approximate salt water depths: 1300' 9) Approximate coal seam depths: None 10) Does land contain coal seams tributary to active mine? No To Drill and Stimulate a New Well 11) Describe proposed well work Freshwater Casing NOT to run below Elevation 12) **CASING AND TUBING PROGRAM TYPE SPECIFICATIONS** FOOTAGE INTERVALS **CEMENT** Weight per Size **Grade** For Left in Fill -up (Cu. Ft.) Drilling Well 13 3/8 " Conductor 250 1 2501 CTS Fresh Water 95/84 1183' 1183

29001

7800'

2900

STATE OF WEST VIRGINIA

Packers: Kind Sizes

Depths Set

71

4 1/2"

Je12739

Coal

Intermediate

Production

Tubing

Liners

50

Environmental protocolor

Kul 35 Coz

By Rule 35 CSR

4-11.1

WW2-A		1) Date: <u>January 28, 2008</u>
Revised 8/02	·	2) Operator's Well Number: Hurst No. 1
		3) API Well No.: 47 - 5138 State County Permit
	STATE OF WEST VIRGIN	IIA - BUREAU OF ENVIRONMENT
DEPARTM	IENT OF ENVIRONMENTA	AL PROTECTION, OFFICE OF OIL AND GAS
	NOTICE AND APPLICATION	ON FOR A WELL WORK PERMIT
•		
•	wner(s) to be served:	∕ 5) (a) Coal Operator
• •	Jerry Yaremko	Name
Address		Address
	Palmerton, PA 18071	
(b) Name		(b) Coal Owner(s) with Declaration
Address	<u> </u>	Name None
		Address
(c) Name		Name
Address		Address
Address		Audiess
6) Inspector	Mike Underwood	(c) Coal Lessee with Declaration
Address	Route 2 Box 135	Name
	Salem, WV 26426	Address
Telephone	304-552-3874	
•		ED ABOVE TAKE NOTICE THAT:
	he lease or leases or other continui	ing contract or contracts by which I hold the right to extract oil
and gas	·	
	the information required by Chapte	er 22, Article 6, Section 8(d) of the Code of West Virginia (see
page 2)	.b.et an annived condex Chanton 22 C	S of the West Virginia Code I have served source of this matical
		of the West Virginia Code I have served copies of this notice documents pages 1 through on the above named parties
by:	, , , , , , ,	
<u> </u>	Personal Service (Affidavit atta Certified Mail (Postmarked postmarked)	ached)
	Publication (Notice of Publicat	
	ad and understand Chapter 22-6 a	nd 35 CSR 4, and I agree to the terms and conditions of any
	ider this application.	personally examined and am familiar with the information
		hments, and that based on my inquiry of those individuals
immediately res		nation, I believe that the information is true, accurate and
complete.	re that there are significant penaltic	es for submitting false information, including the possibility of
fine and impriso		
	Well Operator	Hall Drilling
	By: Its:	Mike Hall Designated Agent
	the same	P.O. Box 249
		Ellenboro, WW. 26346
Subscribed and	sworn before meday of	304-869-3405 RGINIA Micerowy R JIARTON
this	30	, 2008
	1-1-	Notary Public
My Commission	Expires / 4//8//1	

Form WW-2A-1 (8/02)

Operator's Well Number Hurst No. 1

17-05638

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, lessor, etc.	Grantee, lessee, etc.	Royalty Book/Page
Posalec S. Wilson	Bluestone Energy Partners	1/8th LB 220/83

Well Operator:

Hall Drilling

By: Its: Mike Hall

Designated Agent

FORM WW2-B1

Well	No.	Hurst No.	1

West Virginia Department of Environmental Protection Office of Oil and Gas

17-05638

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

X	_ Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's pr	ivate
	laboratory	
	Well Operator	Hall Drilling
	Address	P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405

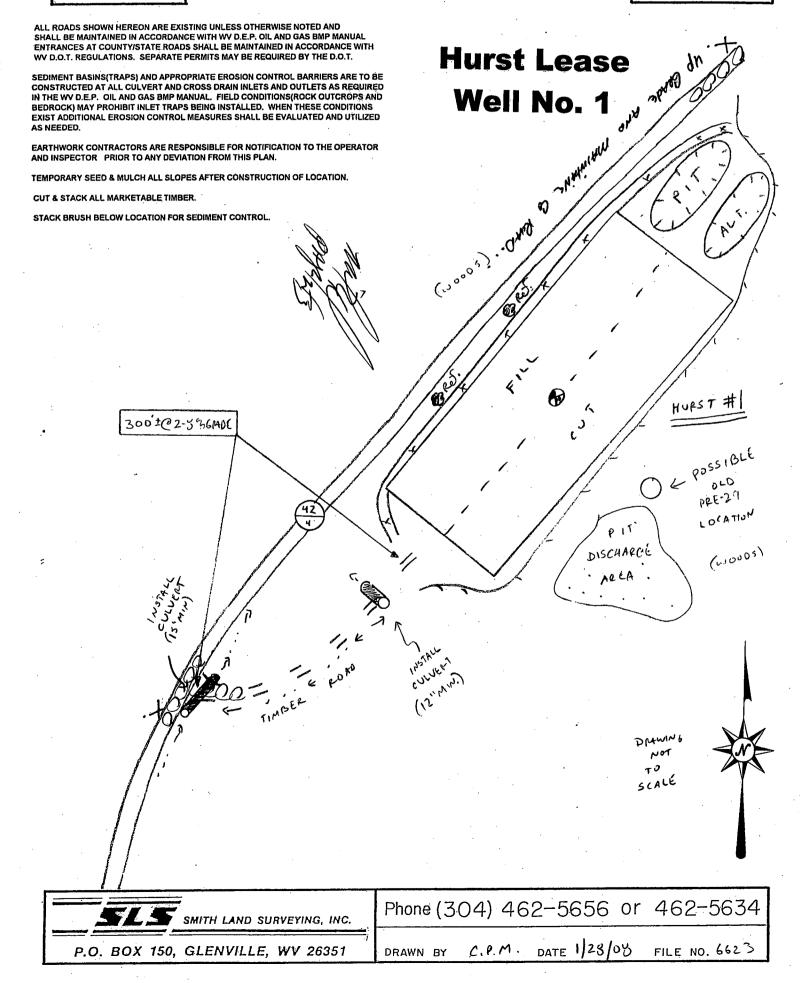
FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Hurst No. 1

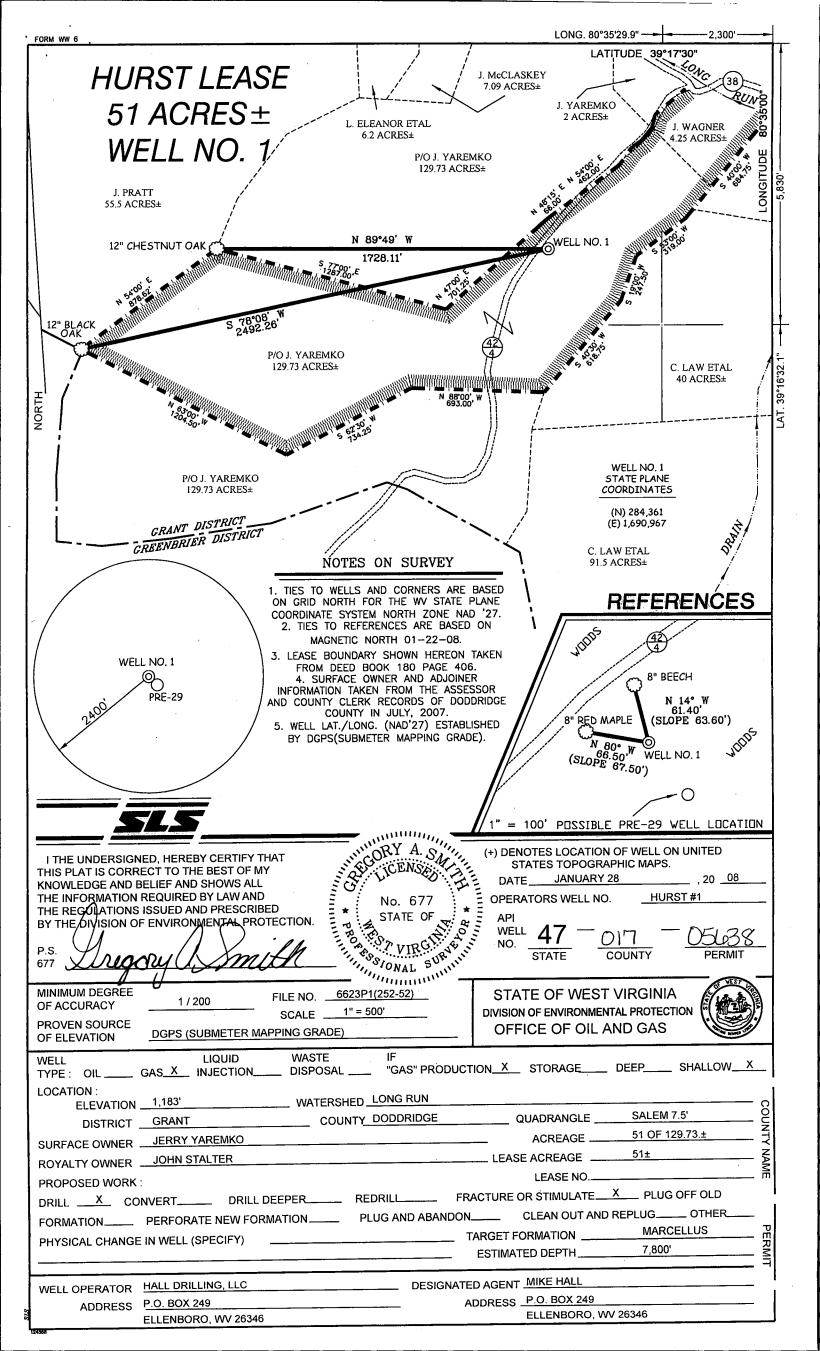
NOTE: There appears to be no potable water sources within 1,000', therefore no tests will be run.

Form WW-9

17-05634 page 5 of 7



17-05636 FORM Hurst Lease Well No. AND Industrial TOPO SECTION OF SALEM 7.5' SMITH LAND SURVEYING P.O.BOX 150 GLENVILLE, WV. 26351 FILE NO. DATE 1/28/08 SCALE 1"=1000' 6623



-(Salom
Operator:	HALL DRILLING, LLC
API:	1705638
WELL No:	HURST 1
Reviewed by:	$\frac{1}{1}$ Date: $\frac{4-6-09}{1}$
Due Date:	4/9
₩ ^D ·	CHECKLIST FOR FILING A PERMIT
	New Well
Z gw	WW-2B
X I	Inspector signature on WW-2B
Dy	WW-2A (Notarized)
M	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
□ v	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
✓ v	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
	WW-9 (Page 1 & 2) (Notarized)
Z/I	nspector Signature on WW-9
I to	Reclamation plan
<u> </u>	Copographic Map of location of well
⊿ N	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
IJ E	Bond
4	Company is Registered with the SOS
1 v	Worker's Compensation / Unemployment Insurance account is OK
\$	650.00 check (\$550.00 if no pit)

BLUESTONE ENERGY PARTNERS

Trust is our greatest resource:

February 4, 2008

Jerry Yaremko 25 Spruce Hollow Road Palmerton, Pa 18071



Re: Sarah Hurst Leasehold/51 acres of 129.73 acres, Grant District, Doddridge County, West Virginia

Dear Mr. Yaremko;

We wanted to write and let you know that Bluestone Energy Partners/Hall Drilling LLC is hoping to drill upon a 51 acre tract of land which the records of the Clerk of the County Commission of Doddridge County, West Virginia indicate you as the surface owner.

The lease for the drilling and development of the leasehold was obtained from Rosealee Wilson et us (mineral owners). At this time we have retained the services of Smith Land Surveying out of Glenville, West Virginia to do all the paper work including spotting of the well location, etc.

In the very near future we will forward to you (by certified mail as requested by state law) a copy of the well plat and additional paper work for your review.

Mr. Terry Wyckoff is our field supervisor on this particular project. Please feel free to contact Terry (cell# 304-991-0720) if you should have any questions or would like to meet with him personally.

I appreciate your time and attention to this matter.

Sincerely;

Gregory R. Barton Partner

Avenue • P.O. Box 249



7007 1490 0004 3632 7557

7007 1490 0004 3632 7557



turn the card to you. B. Respired by (Printed Name) C. Date of Delivery	Certified Fee 2.65 Return Receipt Fee 2.65 Restricted Delivery Fee 2.15 Restricted Delivery Fee 2.15 Total Postage & Fees \$6.27 Sent To Jerry Varemko or Po Box No. 35 Spruce Hollow City, State, 21944 Palmerton, PA 18	U.S. Postal Service 11. CERTIFIED MAIL IN RECEIPT (Domestic Mail Only; No Insurance Coverage For delivery information visit our website at www.us	Surface Jumer
		Provided intraduces on the reverse lumine card to you.	A Signature. □ Agerit. □ Addressee.
Jerry Yaremko 25 Spruce Hollow Road Palmerton, PA 18071 D. Is delivery address different from item 1? Yes If YES, enter delivery address below: D. Is delivery address different from item 1? Yes If YES, enter delivery address below: D. Is delivery address different from item 1? Yes If YES, enter delivery address below: OR Service Type Certified Mail D Express Mail	Q	Article-Addressed to: Jerry Yaremko 25 Spruce Hollow Road	D. Is delivery address different from item 1?

17-05635

BLUESTONE ENERGY PARTNERS

Trust is our greatest resource:

March 20, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Sarah Hurst No. 1

Also enclosed is check no. 012739 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

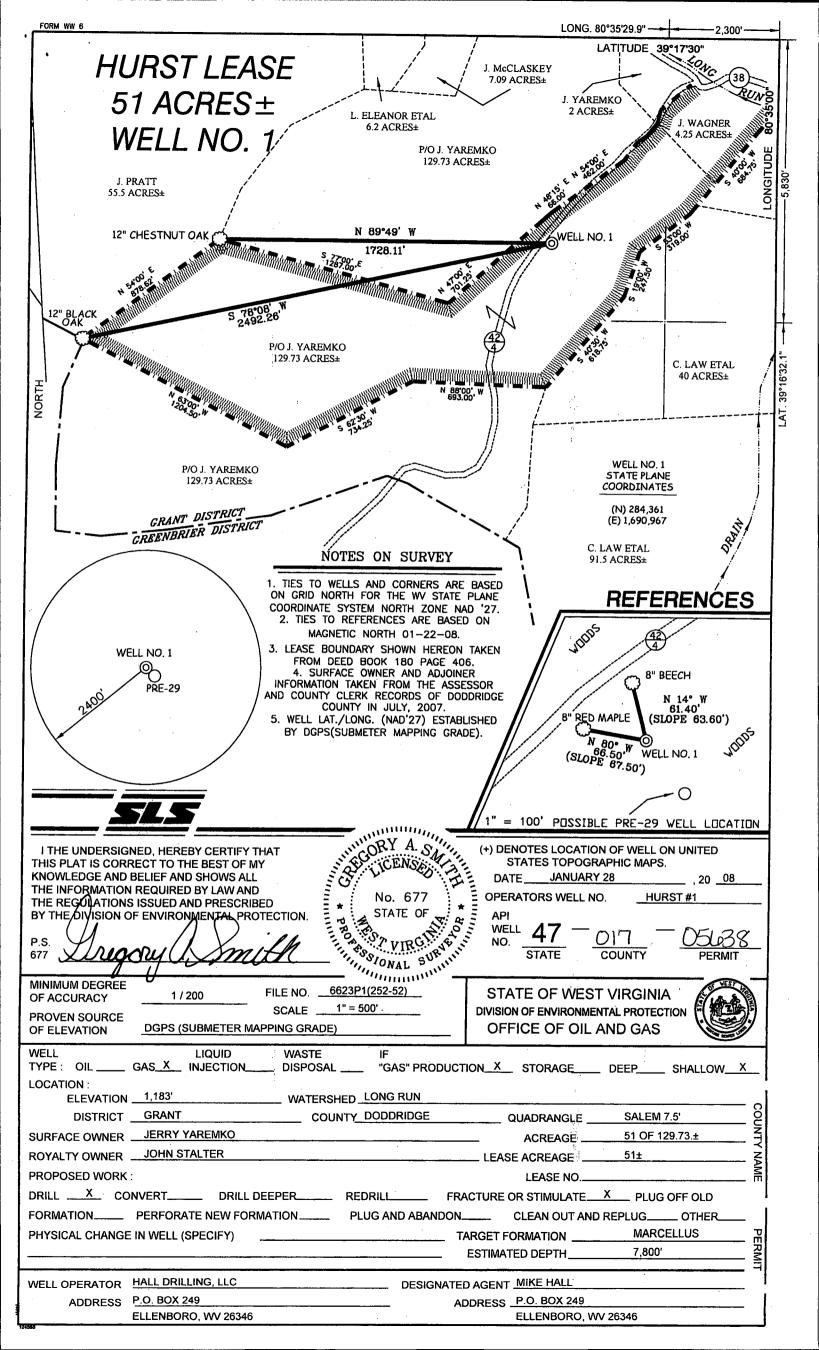
Sincerely,

Annalisa Dobbins

Administrative Assistant

Enclosures: Well package for Sarah Hurst No. 1

Check No. 012739-\$650.00



FOR	M	WV	V-9
Rev.	02	/03	

Pa	age	4	of _	7
API Number 47 - (ジレフ	- [563	3 5
Operator's Well No.	Hurst	No. 1	[-

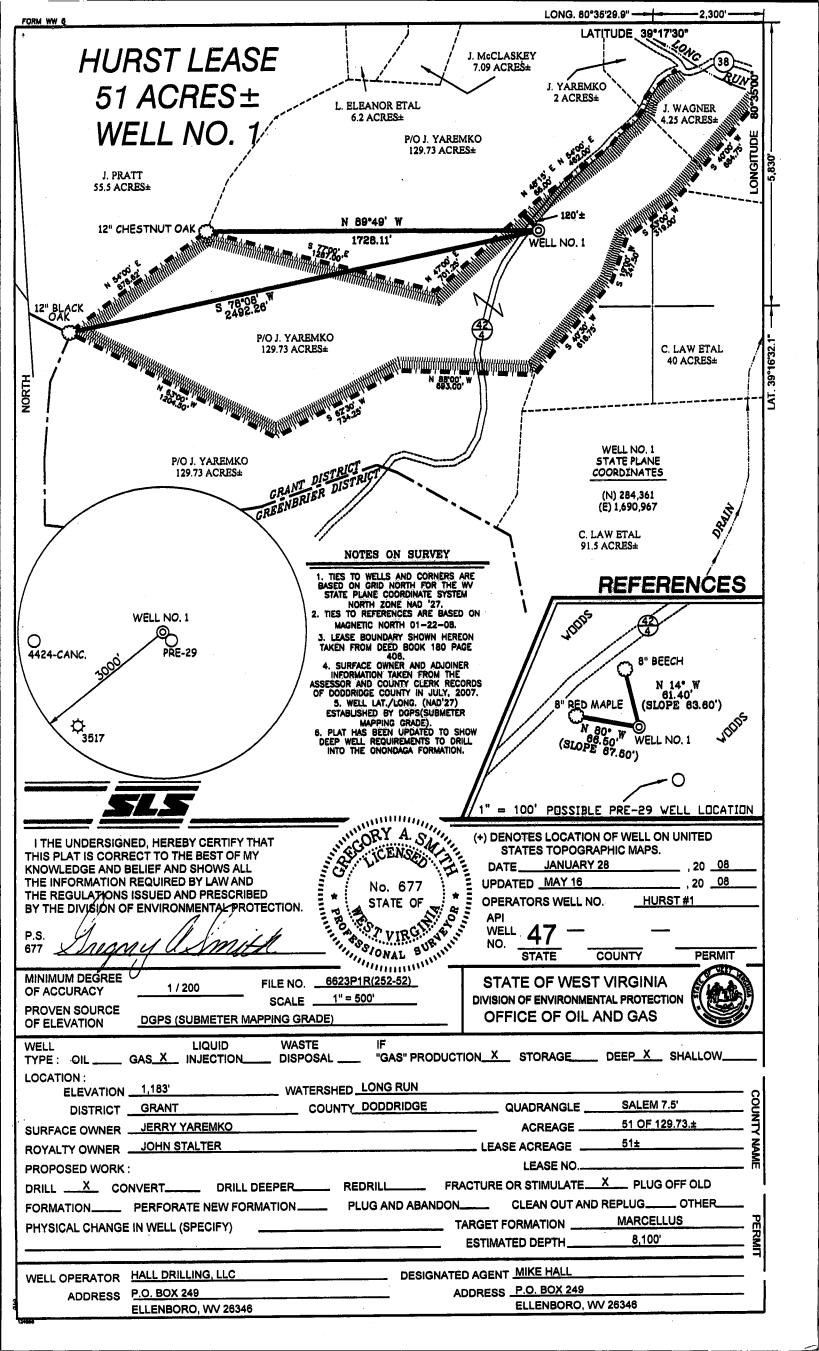
STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name <u>Hall Drilling, LLC</u>		OP Code	
Watershed Long Run	Quadrangle _	Salem 7.5'	·
Elevation 1183' Coun	ty <u>Doddridge</u>	District <u>Grant</u>	·
Description of anticipated Pit Waste:Drill Wa	ter, Frac Blow Back & Various Fo	ormation Cuttings	· · · · · · · · · · · · · · · · · · ·
Will a synthetic liner be used in the pit?Yes	•		
Proposed Disposal Method For Treated Pit Wastes X Land Application Underground Injection Reuse (at API Number_ Off Site Disposal (Suppotential) Other (Explain	•	ion)	
Proposed Work For Which Pit Will Be Used:			
	X Swabbing Plugging		
December 31, 1999, by the Office of Oil and Gas provisions of the permit are enforceable by law. V or regulation can lead to enforcement action. I certify under penalty of law that I has application form and all attachments thereto and the information, I believe that the information is submitting false information, including the possibility.	ve personally examined and am nat, based on my inquiry of those true, accurate, and complete. I	familiar with the informity individuals immediately	nd/or other applicable law mation submitted on this responsible for obtaining
Company Official Signature	· · · · · · · · · · · · · · · · · · ·		
Company Official (Typed Name)Mike Hall Company Official TitleDesignated Agent			
Subscribed and sworn before me this	day of OFFICIAL SEA	2008	
	NOTARY PUBL STATE OF WEST VI	LIC IRGINIA L \$	

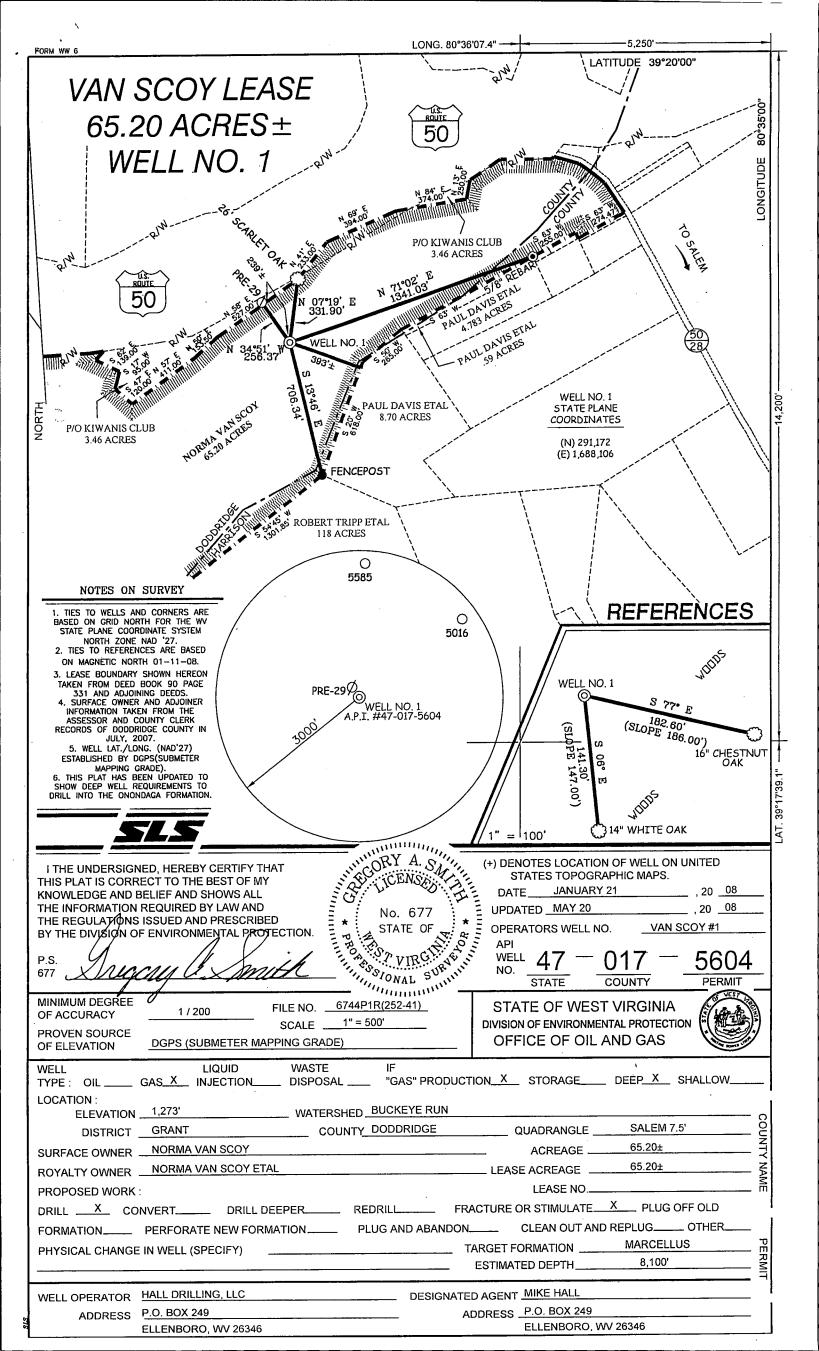
Ĺ	EGEND
Property Boundary	Diversion (////////////////////////////////////
Road = = = = = = = = = = =	Spring O
Existing Fence — X — X — X —	Wet Spot
Planned Fence / / /	Drain Pipe with size in inches
Stream Change Town	Waterway \longleftrightarrow
Open Ditch	Cross Drain 777777777777777777777777777777777777
Rock 68686	Artificial Filter Strip X X X X X X X X X X X X X X X X X X X
North N	Pit: cut walls
Buildings	Pit: compacted fill walls
Water wells	Area for Land Application of Pit Waste
Drill site	
Proposed Revegetation Treatment: Acres Disturbed	/+/_ Prevegetation pH
	pH 6.5 NO LESS 2 TON DER ACRE
Fertilizer (10-20-20 or equivalent) 1/3 TON	
•	•
	ns/acre PRE SEEDI much all open culs d Mixtures
•	
Area I Seed Type lbs/acre	Area II Seed Type lbs/acre
KY-31 40	ORCHARD GRASS 1-5
ALSIKE CLOVER 5	ALSIKE CLOVER 5
ANNUAL RYE 15	
Attach:	Langlication
Drawing(s) of road, location, pit and proposed area for land	i application.
Photocopied section of involved 7.5' topographic sheet.	
Plan Approved by:	
Title: 0:1/ Gas Insp-	Date: 2/13/08_
Field Reviewed? (Yes () No

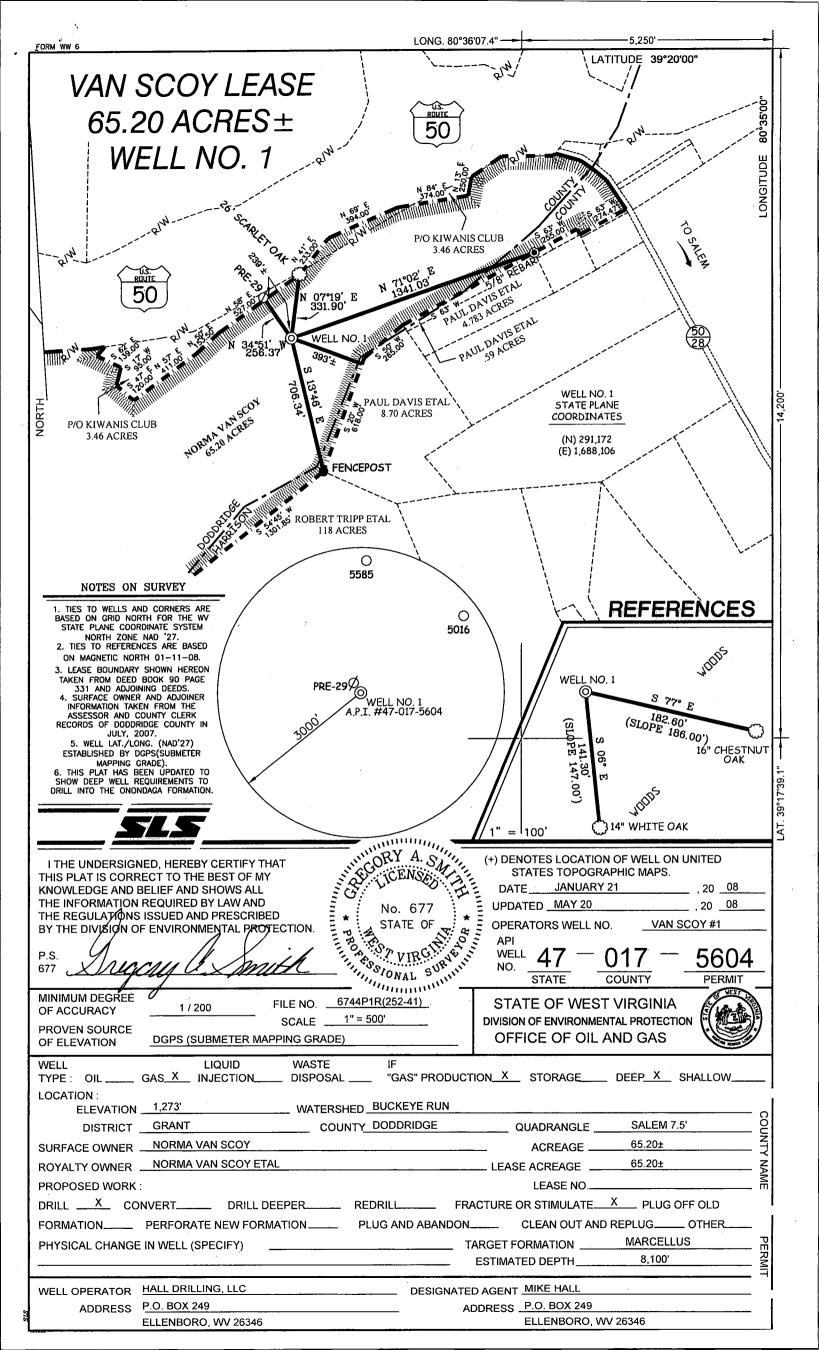
) No

Field Reviewed?



Form: WW - 2B						17-05664	
			STATE OF W	EST VIRGIN	IIA	OIL AND CAC	
DEPAR	TMENT	OF ENVI	RONMENTAL	PROTECTIO	N, OFFICE OF	OIL AND GAS	
W			LL WORK PE	KMII APPLIC	1'/	Grant Salem 7	<u> </u>
1)Well Operator	r Hall [Orilling, L	LC	Operator ID	Doddridge County	District Quadrangle	_
2) Operators W	ell Numb	oer: <u>V</u>	an Scoy No. 1	_ 3) Elevatio	n: <u>1273'</u>	
4) Well Type: (a (b	ı) Oil) If Gas:	Produc	ctionX_/ U	nderground hallow _	Storage		
5) Proposed Ta 6) Proposed To 7) Approximate 8) Approximate	otal Dept e fresh w e salt wa	h: <u>ଡା୦୦'</u> ater stra ter depth	Feet ta depths: s:1000			· ·	_
9) Approximate 10) Does land	e coal se contain c	am depti coal sean	ns: <u>None</u> ns tributary to		? <u>No</u>	<u> </u>	
11) Describe p							
,	•						_
							_
				<u> </u>			
			•				
12)			SING AND TUI	BING PROGI	RAM	S CEMENT	
TYPE S	PECIFIC	ATIONS		FOOTAGE	INTERVALS		
	Size	<u>Grade</u>	<u>Weight per</u> <u>ft</u>	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)	
Conductor	133/8"	·	22#	250'	2501	CTS (mile)	
Fresh Water	95/84	l 1		1273'	1273'	D.K(MULL)	
Coal						8 8 6 TO COX	
Intermediate	74		#ما	2900'	29001	By Rule 35 CSR	
Production	4 1/2"		11.50#	8100'	8100	4-11.1	
Tubing				· · · · · · · · · · · · · · · · · · ·			
Liners		<u> </u>				Warner V	
S	ind izes epths Se	et		·	¥		
	-					<u></u>	-







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax

Joe Manchin III. Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

February 21, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705604, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: VAN SCOY 1

Farm Name: VAN SCOY, NORMA

API Well Number: 47-1705604

Permit Type: New Well Date Issued: 02/21/2008

Promoting a healthy environment.

Form: WW - 2E	3						17-0	56.64
2524		OF FAN		WEST VIRG				
DEPAI	RIMENI	OF ENV	IRONMENTAL ELL WORK PE	RMIT APPL	<u>UN, OFFIC</u> ICATION	E OF	OIL AND	
W		<u>***</u>	LLL WORKE		1	7	3	596
1)Well Operato	r Hall	Drilling,	LLC		Doddric		Grant	Salem 7.5
				Operato ID	r County		District	Quadrangle
2) Operators W	/ell Num	ber: <u> </u>	/an Scoy No. 1	<u></u>	3) Elev	vatio	n: <u>127</u>	<u>'3'</u>
4) Well Type: (a (b	a) Oil o) If Gas:	Produ	as <u>X</u> ction <u>X</u> / U	Jnderground Shallow	d Storage_ X			
5) Proposed Ta 6) Proposed To 7) Approximate 8) Approximate 9) Approximate	otal Dep e fresh v e salt wa	th: <u>780</u> vater stra iter deptl	<u>0 </u> Feet ata depths: hs:	<u>107'</u>)'				
10) Does land	contain	coal sea	ms tributary to		e? <u>No</u>	<u> </u>		
11) Describe p	roposed	well wo	rk <u>To Drill</u>	and Stimula	ite a New \	Nell		
12) TYPE S	PECIFIC	CA ATIONS	SING AND TU		RAM E INTERV	/ALS		<u>MENT</u>
	Size	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>		Fill -up (C	<u> </u>
Conductor	133/84	·		2501	2501	-	CIS (
Fresh Water	95/811	1		1273'	1273'		DIS O.K	nilul)
Coal								
Intermediate	711			2900'	2900	, ,	Dy Keele.	35 CEKS
Production	4 1/2"			7800'	7775'		By Rule 39 4-11.1	5 CSR
Tubing					1	· ·		
Liners								
Si	ind izes epths Se	et				kini shir	The of Other	E ces
CE1237 650						The state of the s	EUROLUS MV Des	enmert of

WW2-A Revised 8/02

4) Surface Owner(s) to be served: (a) Name Norma Van Scoy

1) Date: January 22, 2008

2) Operator's Well Number: Van Scoy No. 1

State

3) API Well No.: 47 -

5) (a) Coal Operator

017 - 0560 County

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

Name **Address**

Address	RR 1 Box 77	Address	
	Salem, WV 26426		
(b) Name		(b) Coal (Owner(s) with Declaration
Address		Name	None
7.441.000		Address	
		_ /	
(c) Name		Name	
• •		Address	
Address		Address	
6) Inspector	Mike Underwood	(c) Coal L	essee with Declaration
Address	Route 2 Box 135	 Name	
71441333	Salem, WV 26426	Address	
Telephone	304-552-3874		
reiephone	TO THE PERSONS NA	MED ABOVE T	AKE NOTICE THAT:
Included is t			contracts by which I hold the right to extract oil
and gas	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
OR			The state of the s
X Included is	the information required by Chap	ter 22, Article 6,	Section 8(d) of the Code of West Virginia (see
page 2)			I will some of the year. The
I certify 1	that as required under Chapter 22	-6 of the <u>West Vi</u>	rginia Code I have served copies of this notice
• •	a location plat, and accompanying	ng documents pag	ges 1 through on the above named parties
by:	Demonal Samina (Affidavit a	Hachad)	W. C. St. C.
	Personal Service (Affidavit at Certified Mail (Postmarked p	•	had)
_^	Certified Mail (Postmarked po Publication (Notice of Public	•	eu)
l have re			nd I agree to the terms and conditions of any
	nder this application.		
l certify	under penalty of law that I have	e personally exa	amined and am familiar with the information
submitted on the	nis application form and all atta	chments, and th	at based on my inquiry of those individuals
•	ponsible for obtaining the info	rmation, I believe	e that the information is true, accurate and
complete.	41 -4 41	4! f	- foloo information including the possibility of
	•	ties for submitting	g false information, including the possibility of
fine and impriso	Well Operator	Hall Drilling, LLC	://
	By:	Mike Hall	
	Its:	Designated Age	nit .
	Address	P.O. Box 249	
		STEllenboro, WV	6346
	(/ Telephone.	304-869-3405°	
Subscribed and	sworn before me day o	of y no 26	(2) (2)
this	1 23	Lew	2608
<u> </u>	/ J / / / / / / / / / / / / / / / / / /		Notary Public
My Commission	Expires 4/18/20	(1	*.
	• •		

17-05604

Form WW-2A-1 (8/02)

Operator's Well Number Van Scoy No. 1

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

_	
Grantor, le	 ~+~
Isranini ie	H-112.

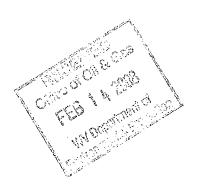
Grantee, lessee, etc.

Royalty Book/Page

Norma Van Scoy, et al

Bluestone Energy Partners

1/8th 28220/543



Well Operator:

By:

its:

Hall Drilling, LLE

Mike Hall

Designated Agent

FORM WW2-B1

Well No. Van Scoy No. 1

West Virginia Department of Environmental Protection Office of Oil and Gas

17-05604

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

Contractor Name	Smith Land Surveying, Inc Environmental Division
Well operator's pr	rivate
laboratory	
Well Operator	Hall Drilling, LLC
Well Operator Address	Hall Drilling, LLC P.O. Box 249
• .	

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Van Scoy No. 1

NOTE: There appears to be 1± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



Hall Drilling

LEASE NAME AND NUMBER:

OPERATOR:

6744.potential.Hall.VanScoy1

ENVIROMENTAL DIVISION

P.O. BOX 150, GLENVILLE, WV 26351

(304) 482-5834 • FAX 482-5868

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

COMMENTS

VanScoy 1

listed surface ow Consumption or landowners have necessary.	ing review of the area surround ner(s) that were potentially ution other purposes within 1000' of been notified of the opportunite of following information is subject to	ilizing groundwater (potable) the proposed well site. The ity to request a water sample	for Human following
	INDIVIDUAL CONT	SACTED OR NOTIFIED	
Owner/Occupant	: Berneda Davis		
Address: Rt.	5 Box 24 Salem, WV 25276	Letter/Notice Date:	1/23/08
			The second of the second
Owner/Occupant			500
	Kiwanis Club em, WV 26426		1/23/08
		Letter/Notice Date:	1/23/08
Comments:			A STATE OF THE PARTY OF THE PAR
			Marie
			150
	Lucille VanScoy		
Address: Rt.	I Box 77 Salem, WV 25276	Letter/Notice Date:	1/23/08
Comments:	<u> </u>		
Owner/Occupant:			
Address:		Letter/Notice Date:	
Comments:			
	•		
Owner/Occupant:			•
Address:		Letter/Notice Date:	
Comments:			
			·

17-05604 page 5 of 7

Form WW-9

ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WV D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH MAY BE DECLUBED BY THE DOAD. Van Scoy Lease WV D.O.T. REGULATIONS. SEPARATE PERMITS MAY BE REQUIRED BY THE D.O.T. Well No. 1 SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WV D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED AS NEEDED. AS NEEDED. 100 + 8 15-20 % 5 MUE EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN. TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION. **CUT & STACK ALL MARKETABLE TIMBER.** STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL. 130'1@0'6'86ADE 611 6 18 70 76 34 N/K 30000 101E HARRISO TU BE INSTALLED 6751200 686406 "MINIMUM @ nd. VAN SLOY ®[№]. DUAMIN 6 NOT 70 SLALE Phone (304) 462-5656 or 462-5634

DRAWN BY

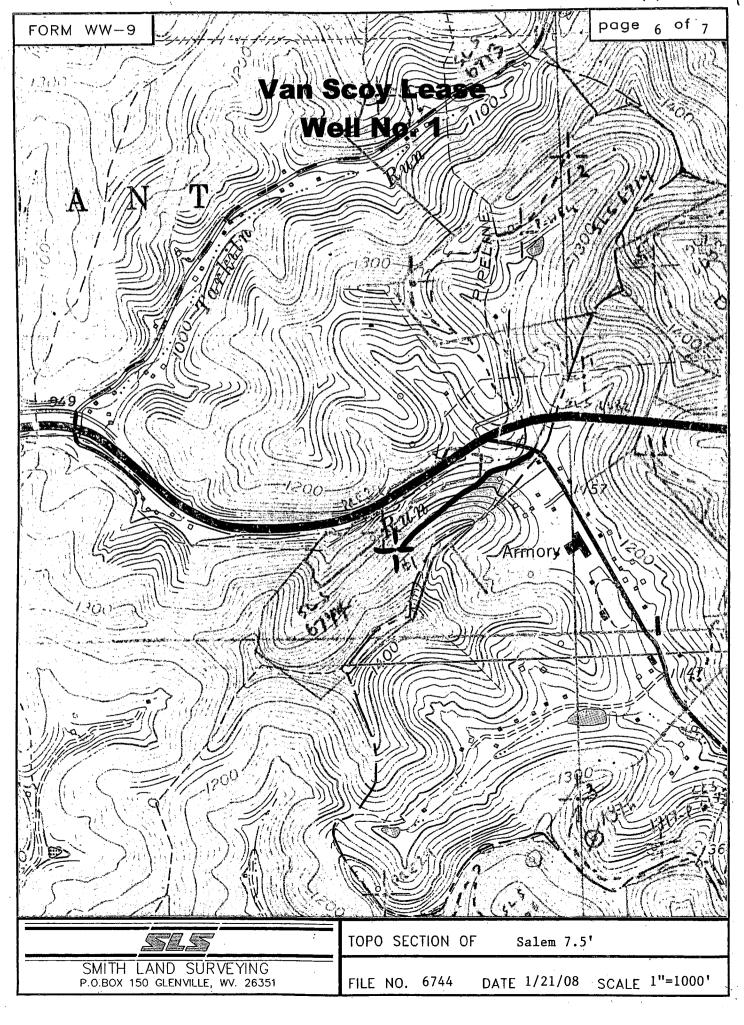
C.P.M. DATE 1/21/08

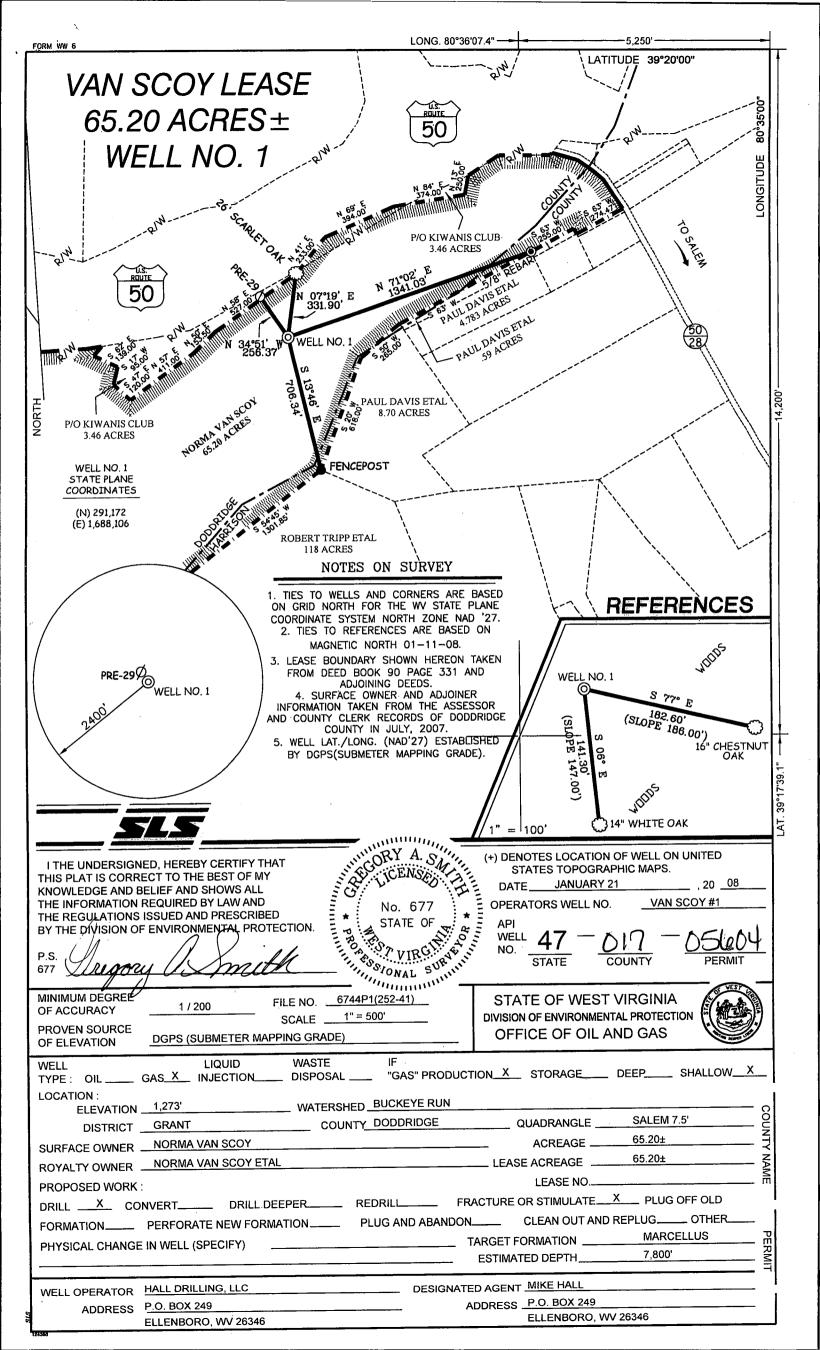
FILE NO 5744

SMITH LAND SURVEYING, INC.

P.O. BOX 150, GLENVILLE, WV 26351

17-05604





FORM WW-9 Rev. 02/03

My commission expires_

	age	4	of_	7.
API Number 47	017		056	orf_
Operator's Well No.	Van	Scoy	No.	<u>1</u> `

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name <u>Hall Drilling, LL</u>	С	OP Code	
Watershed <u>Buckeye Run</u>	Qua	drangle Salem 7.5'	
Elevation <u>1273</u>	County <u>Doddridge</u>	District Gran	<u>.t</u>
Description of anticipated Pit Wast	e:Drill Water, Frac Blow Back &	Various Formation Cuttings	<u> </u>
Will a synthetic liner be used in the	pit? Yes.		
Reuse (eated Pit Wastes: pplication cound Injection (UIC Permit Number_ at API Number_ Disposal (Supply form WW-9 for dis Explain_		
Proposed Work For Which Pit Wil X Drilling Workov Other (gX Swabbing		
December 31, 1999, by the Office provisions of the permit are enforced or regulation can lead to enforcem I certify under penalty application form and all attachment the information, I believe that the submitting false information, including the company Official Signature	of law that I have personally examinate thereto and that, based on my inque information is true, accurate, and coding the possibility of fine or imprison	Division of Environmental Protor condition of the general permined and am familiar with the inity of those individuals immediate omplete. I am aware that there	it and/or other applicable law if and/or other applicable law information submitted on this tely responsible for obtaining
Company Official (Typed Name)			
Company Official Title Design	nated Agent	• • • • • • • • • • • • • • • • • • • •	
Subscribed and sworn before me t	his day of OFFICIAL SEAL NOTARY PUBLIC STEEDS WEST VIRGINIA GORY R. BAPTON	Ž.	

Operator: HALL DRILLING, LLC

API: 1705604

WELL No: VAN SCOY 1

Reviewed by: Date: 2-20-08

Due Date:

CHECKLIST FOR FILING A PERMIT

1	New Well
	WW-2B
\boxtimes	Inspector signature on WW-2B
V	WW-2A (Notarized)
\sum	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
X	Surface Owner Waiver
\Box	Coal Owner / Lessee /Operator Waiver
口	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
7	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
\bigcirc	WW-9 (Page 1 & 2) (Notarized)
X	Inspector Signature on WW-9
4	Reclamation plan
\Box	Topographic Map of location of well
7	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
4	Company is Registered with the SOS
1	Worker's Compensation / Unemployment Insurance account is OK
X	\$650.00 check (\$550.00 if no pit)



WW-2A Surface Waiver

SURFACE OWNER WAIVER

County	Doddridge	Operator	Hall Drilling, UC
	J	Operator well number	Van Scoy No.1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas **Department of Environmental Protection** 601 57th St. SE Charleston, Wv 25304 (304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to

the planned work described in these materials, then the permit may be issued at any time.

Comments must be in writing. Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments. The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.

- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
 4) The proposed well work falls.
- The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

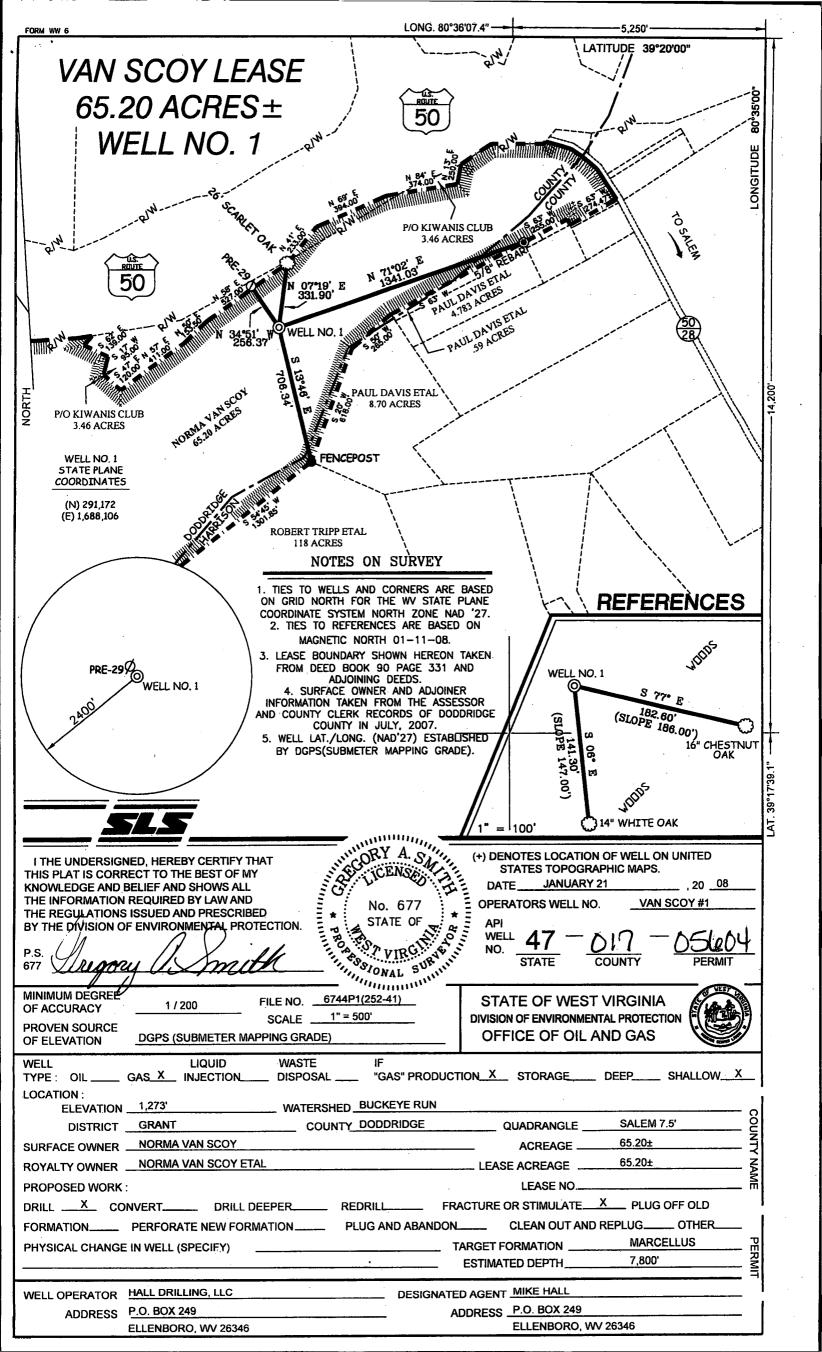
List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through ____ including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXE	COTION BY	A NATUKAL P	ERSON		ŀ	OK EXE	COLION BAY	A CORPOR	ATION, ETC.	
1 Tel	imaly	Vanto	an Date	2/6/08	Compan 7 Name	у				
. (Signature		$\overline{}$		By					
			. •		Its				Date	
			*	•						
						Signatur	·e		Date	



Form: WW - 28		OF ENV	STATE OF VIRONMENTAL VELL WORK P	L PROTECTION	<u>INIA</u> ON, OFFICE	ろっし、 OF OIL ANI	
1)Weil Operato	or Hall	Drilling,	LLC		Harrison 33	Elk	Mount Clare
				Operator ID		District	7.5' Quadrangle
2) Operators V	Vell Num	nber:	Starkey No. 1		3) Elevat	ion: <u>13</u> 0	60' V
4) Well Type: ((t		Produ	as <u>X</u> ction <u>X</u> / <u>人 /</u>				
5) Proposed Ta 6) Proposed To 7) Approximate 8) Approximate 9) Approximate 10) Does land o	otal Dep e fresh ve e salt wa e coal se contain	th: Albertar vater stra iter depti eam dept coal seal	字字字 Feet Ita depths: Ita Non	275' e , 542', 557' active mine	? <u>No</u>		
12) TYPE S	PECIFIC	<u>CA</u>	SING AND TU	BING PROGI		.s CEI	MENT
	<u>Size</u>	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)
Conductor	133/8"			350'	350'	CIS	
Fresh Water	9 5/84		26 #	1360'	1360'	стѕ	V.B.
Coal Intermediate			**			By Rule	35 C580
Production	4 1/2"		11.50	29001	81001	By Rule 34-11.1	1. /

81001

Kind

Sizes

Depths Set

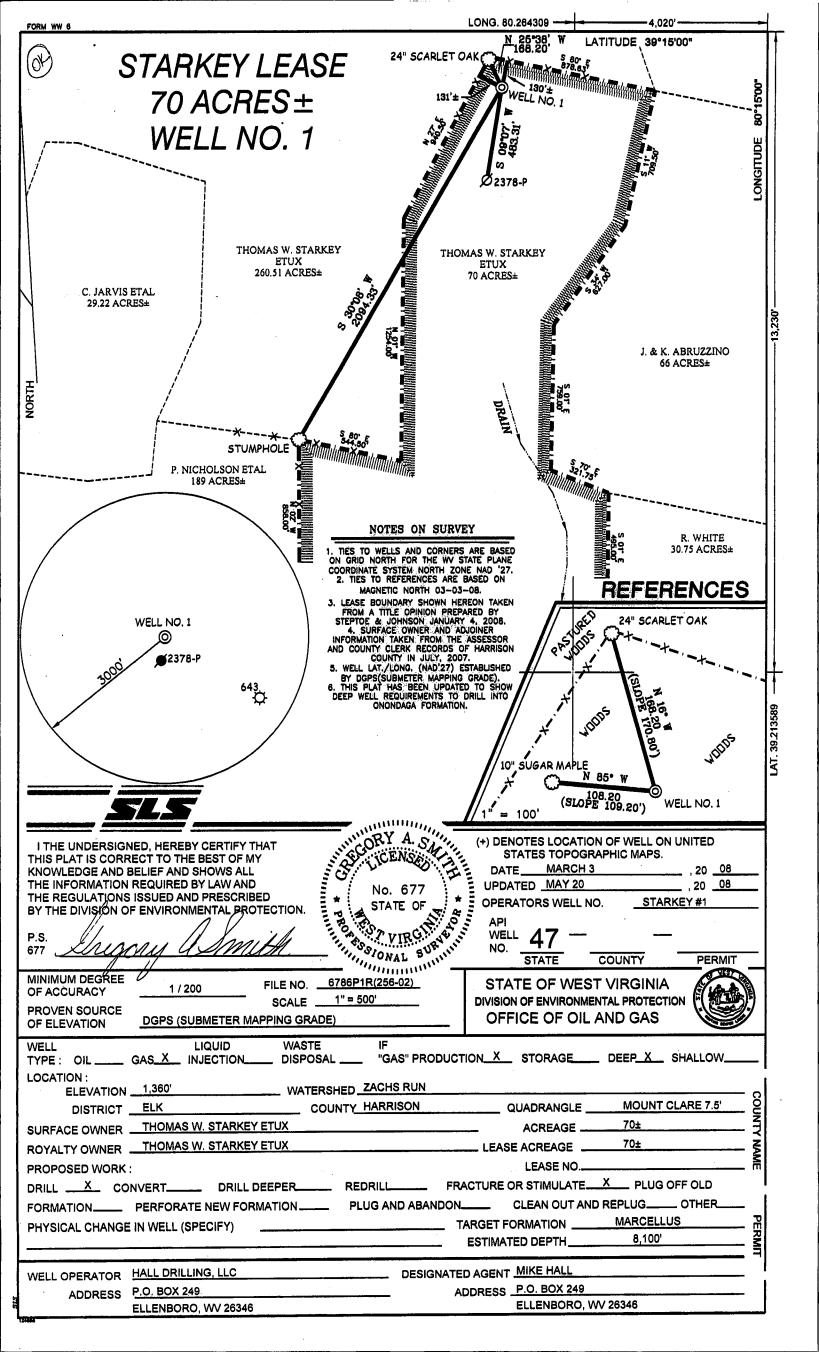
Tubing

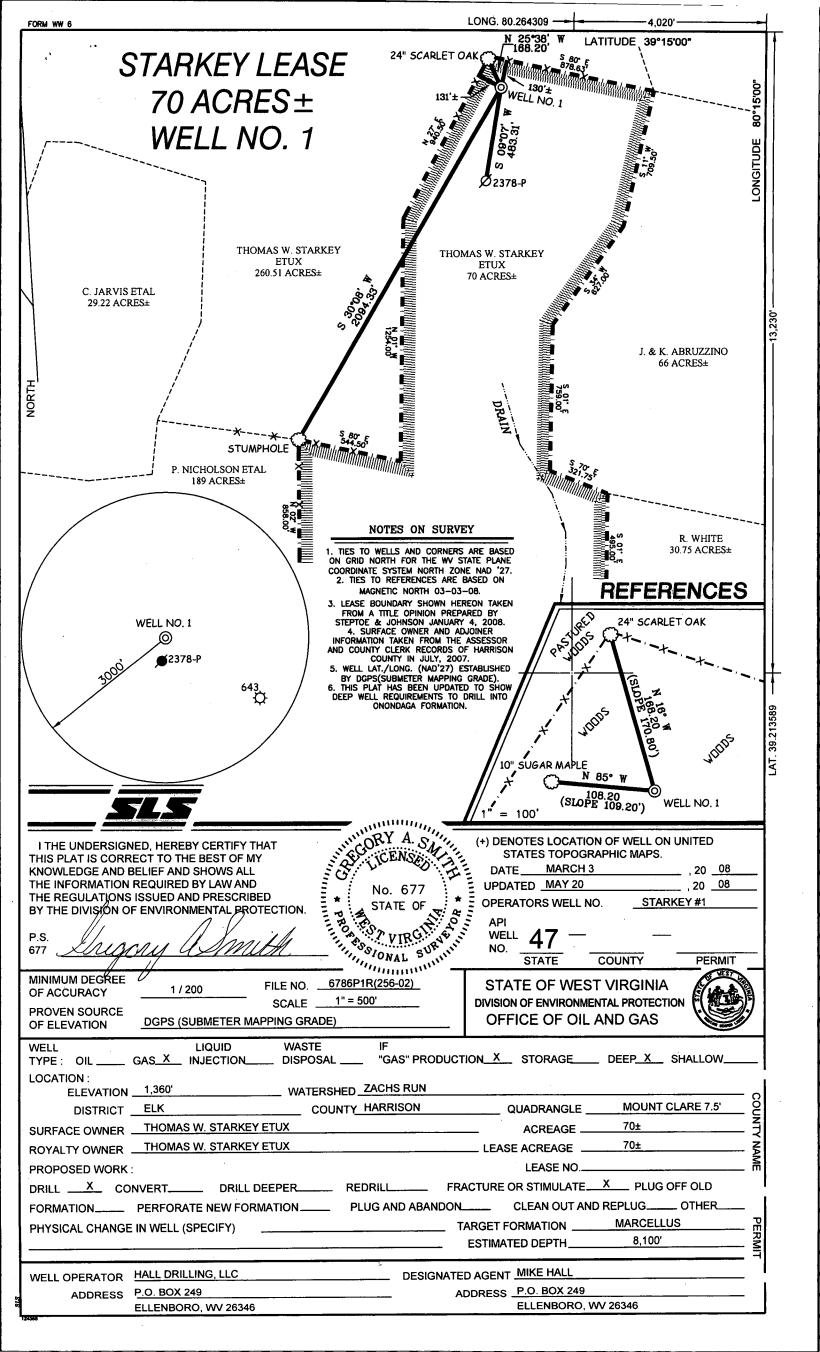
Liners

Packers:

Ce 012773

\$ 650







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Joe Manchin III, Governor Stephanie R. Timmermeyer, Cabinet Secretary www.wvdep.org

March 28, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-3305066, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin Chief

Operator's Well No: STARKEY 1

Farm Name: STARKEY, THOMAS W.

API Well Number: 47-3305066

Permit Type: New Well Date Issued: 03/28/2008

Promoting a healthy environment.

33-05066 Form: WW - 2B STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION Harrison 1)Well Operator Hall Drilling, LLC **Mount Clare** 33 7.5' Operator District Quadrangle County <u>136</u>0' √ Elevation: 3) 2) Operators Well Number: Starkey No. 1 or Gas 4) Well Type: (a) Oil__ Production X / Underground Storage_ (b) If Gas: Shallow 5) Proposed Target Formation(s): Marcellus
6) Proposed Total Depth: 7800 Feet <u>275</u>' 7) Approximate fresh water strata depths: __None 8) Approximate salt water depths: 229', 542', 557' 9) Approximate coal seam depths: 10) Does land contain coal seams tributary to active mine? No To Drill and Stimulate a New Well 11) Describe proposed well work **CASING AND TUBING PROGRAM** 12) FOOTAGE INTERVALS **TYPE SPECIFICATIONS** CEMENT Fill -up (Cu. Ft.) Left in Weight per For Size Grade **Drilling** Well Conductor 13³/8 K 350' 350 ' CIS CTS 26 # Fresh Water 9 5/94 1360' 1360' Coal By Kule 35 C5 K 17 # Intermediate 7 4 19e0/ 2900' 10.5# By Rule 35 CSR 7800' 7775' 4 1/2" **Production** 4-11.1 **Tubing** Liners Packers: Kind Sizes **Depths Set** CD 012773

\$1650

WW2-A		Date:	March 6, 20	008
Revised 8/02	2)	Operator	r's Well Number:	Starkey No. 1
	3)	API Well		<u>033- 0506</u>
	OTATE OF MEST MIDSING F		State	County Permit
	STATE OF WEST VIRGINIA - B			
DEPARTM	IENT OF ENVIRONMENTAL PR			
•	NOTICE AND APPLICATION F	<u>OR A WI</u>	<u>ELL WORK PE</u>	<u>RMIT</u>
		/		
			l Operator	
• •		ame _	· · · · · · · · · · · · · · · · · · ·	
Address		ddress _		· /
	Mount Clare, WV 26408			
(b) Name		•	ner(s) with Decla	X · //
Address			Thomas W. Stark	ey, et ux
	Ad		RR 2 Box 333	V
			Mount Clare, WV	26408
(c) Name	Na	ame _		
Address	Ac	ddress		
6) Inspector	Tim Bennett (c) Coal Les	ssee with Declara	ıtion
Address	Na	ame		
	Ac	ddress	•	-" -
Telephone	304-553-1073			<u></u>
•	TO THE PERSONS NAMED AS	BOVE TAK	KE NOTICE THAT	<u>.</u>
Included is t	the lease or leases or other continuing con	tract or con	ntracts by which I ho	ld the right to extract oil
and gas		x		
OR X Included is 1	the information required by Chapter 22, A	rticle 6 Sec	ction 8(d) of the Co	de of West Virginia (see
page 2)	the information required by onapter 22, A	rticle 0, Oct	ction o(a) or the oot	ac or vicot virginia (occ
I certify t	that as required under Chapter 22-6 of the	West Virgin	nia Code I have sery	ed copies of this notice
and application,	, a location plat, and accompanying docum	nents pages	s 1 throughon	he above named parties
by:	Danier (Affidentic etteched)			6
<u> </u>	Personal Service (Affidavit attached) Certified Mail (Postmarked postal rec	eint attache	d)	~69
	Publication (Notice of Publication atta		Marines of W	W. A. A.
l have re	ead and understand Chapter 22-6 and 35 C		I agree to the terms	s and conditions of any
permit issued ur	nder this application.			
l certify	under penalty of law that I have person	nally exami	ined and am familia	ar with the information
submitted on tr	his application form and all attachments sponsible for obtaining the information,	, and mai I believe t	hat the information	ny of those marviduals n is true, accurate and
complete.	sponsible for obtaining the information,		ENV	
l am awa	are that there are significant penalties for s	ubmitting f	alse information, inc	cluding the possibility of
fine and impriso			-1	
		illing, LLC		
		ated Agent.	Wagis paragraph and a r	:
	ti.	X 249 OTABY	SEAL S	
·	Ellenbo	ofo. WW 263	74 7 20 80 7	
		9-3405	Farms \$	
Subscribed and	I sworn before me day of	2	38-9 2834 5	

Notary Public

this

My Commission Expires

33-05066

Form WW-2A-1 (8/02)

Operator's Well Number Starkey No. 1

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantee, lessee, etc. Royalty Book/Page Grantor, lessor, etc.

Thomas W. Starkey, et ux

Bluestone Every PARTNERS

1/8th 1412/751

Well Operator:

By: its:

Hall Drilling,

Mike Hall

Designated Agent

3-05066 Starkey No. 1 Well No.

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

\mathbf{X}	Contractor Name	Smith Land Surveying, Inc., Environmental Division
	Well operator's pr	rivate Envir
	_ laboratory	•
	Well Operator	Hall Drilling, LLC
	Address	P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405
	-	

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

Starkey No. 1

NOTE: There appears to be 2± potable water sources within 1,000', therefore tests will be offered and samples taken as required.



ENVIROMENTAL DIVISION

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

OPERATOR:	Hall Drilling, LLC		
LEASE NAME	AND NUMBER: _	Starkey Lease Well No. 1	

COMMENTS

The initial mapping review of the area surrounding the proposed well site revealed the below listed surface owner(s) that were potentially utilizing groundwater (potable) for Human Consumption or other purposes within 1000' of the proposed well site. The following landowners have been notified of the opportunity to request a water sample should it be necessary.

*Please note that the following information is subject to change upon field inspection.

INDIVIDUAL CONTACTED OR NOTIFIED

Owner/Occupant:		JIBB OK NOTH IBB	
	Thomas W. Starkey (2 Sites) x 333 Mount Clare, WV 26408		
~			·
Comments:			
Owner/Occupant:			
Address:		Letter/Notice Date:	
Owner/Occupant:			
		13.00000	
Owner/Occupant:			
			Come of the cold
Commonte			Miles River
Comments.			
			And Described
Owner/Occupant:			E. L. S. L. C. L. L. S.
Address:		Letter/Notice Date:	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
Comments:			,

6786.potential.Hall.Starkey#1

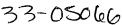
FORM WW-9 Rev. 02/03

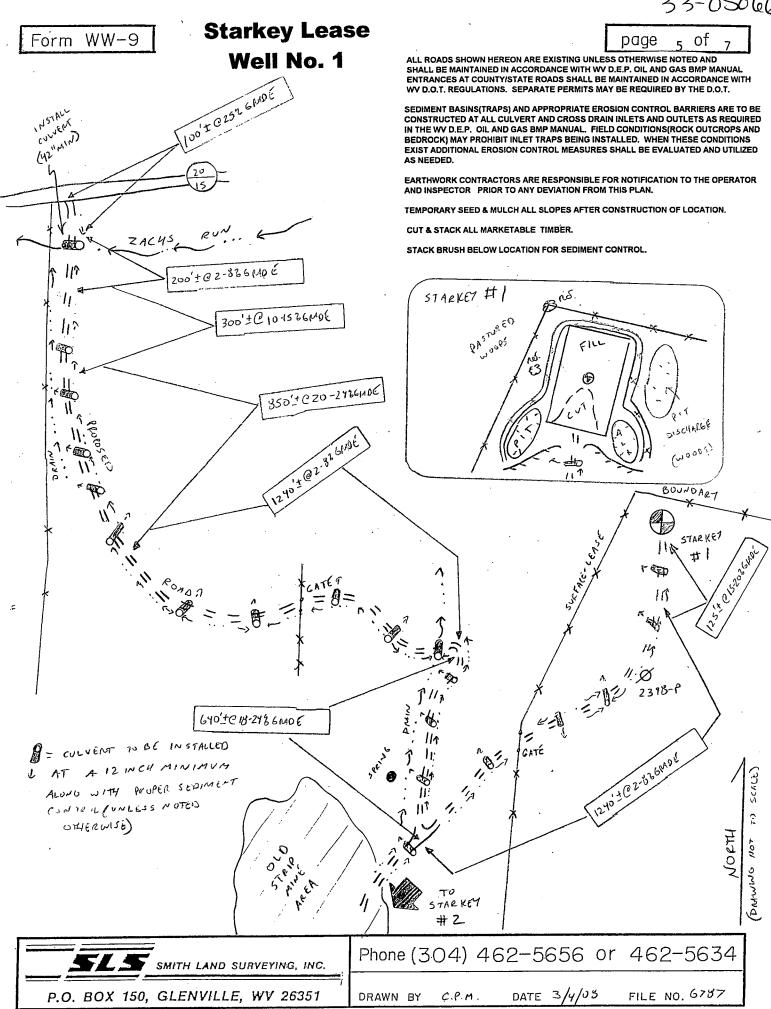
My commission expires

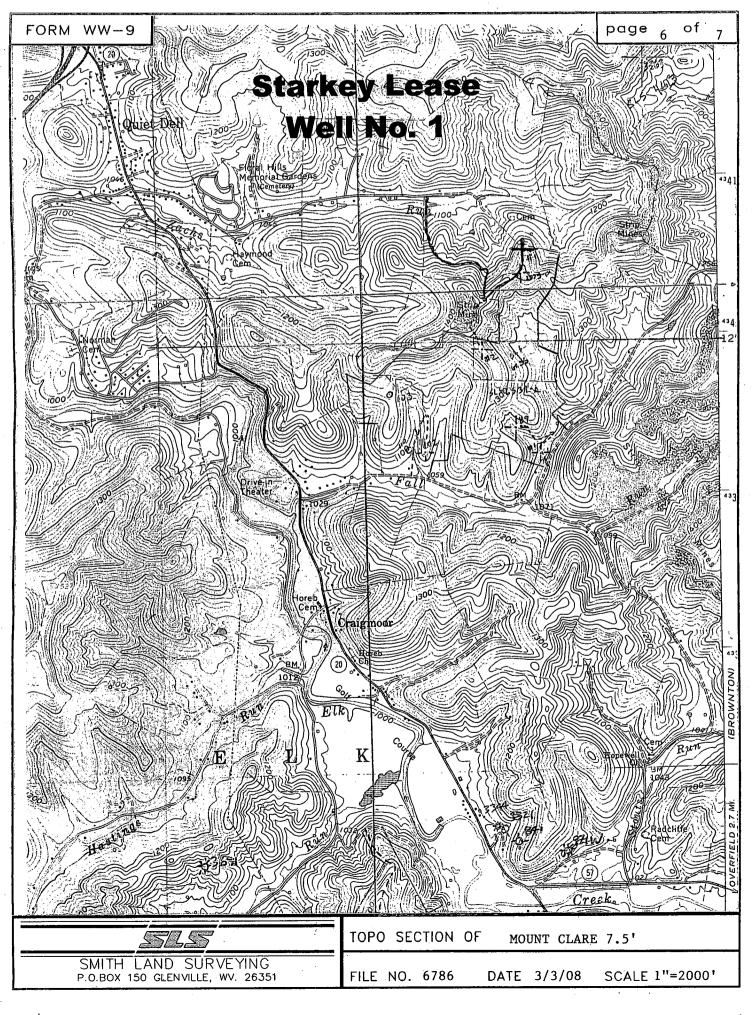
Pag		4	of	7	
API Number 47 - 07	33		050	166	
Operator's Well No.					

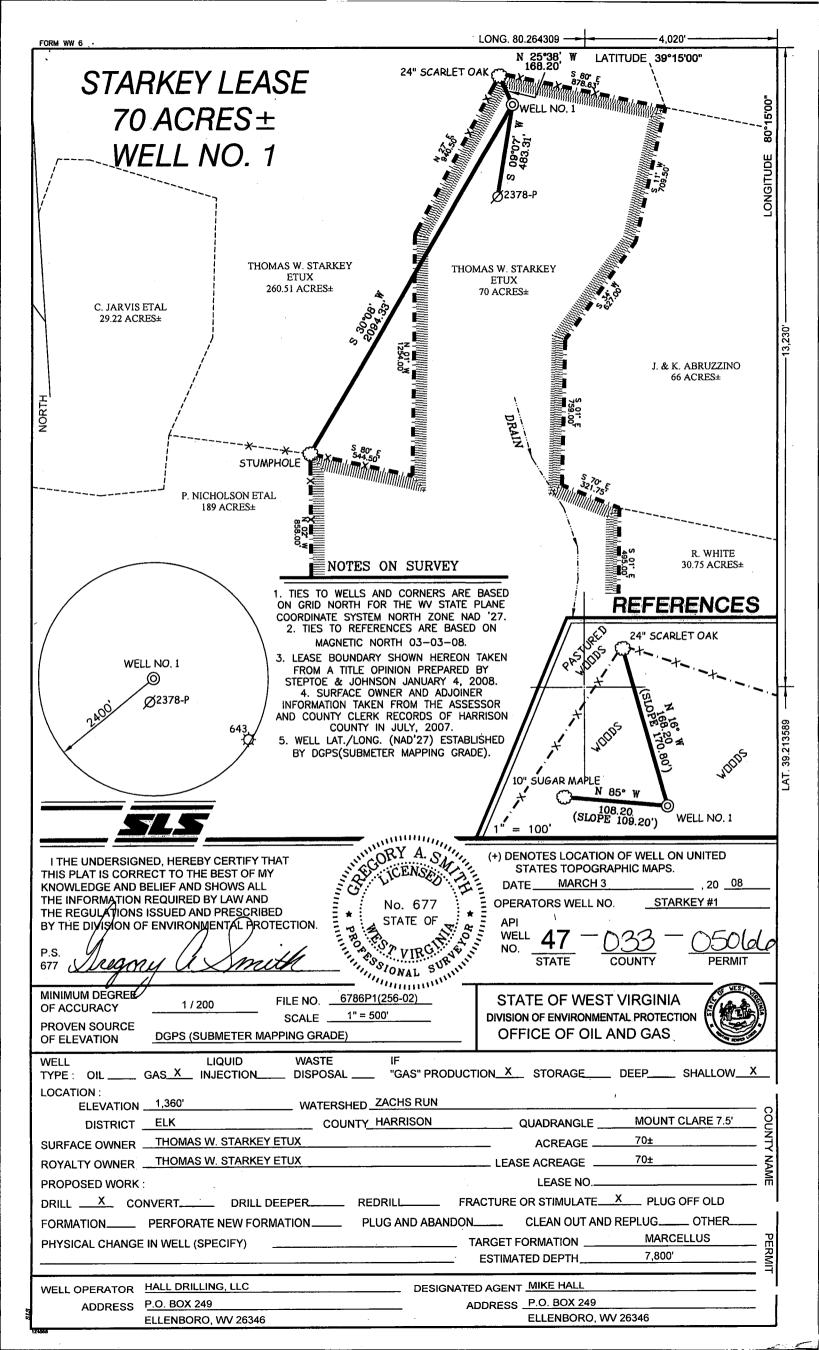
STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

	OD C. 1.
Operator Name <u>Hall Drilling, LLC</u>	OP Code
Watershed Zachs Run	Quadrangle Mount Clare 7.5'
Elevation 1360' County 1	Harrison District Elk
Description of anticipated Pit Waste:Drill Water, Fi	rac Blow Back & Various Formation Cuttings
Will a synthetic liner be used in the pit?Yes.	·
Proposed Disposal Method For Treated Pit Wastes:	
X Land Application Underground Injection (UIC	Permit Number
	rm WW-9 for disposal location)
Proposed Work For Which Pit Will Be Used: X Drilling	_X Swabbing Plugging
December 31, 1999, by the Office of Oil and Gas of the provisions of the permit are enforceable by law. Violation regulation can lead to enforcement action. I certify under penalty of law that I have perapplication form and all attachments thereto and that, be	s and conditions of the GENERAL WATER POLLUTION PERMIT issued on the West Virginia Division of Environmental Protection. I understand that the ions of any term or condition of the general permit and/or other applicable law ersonally examined and am familiar with the information submitted on this ased on my inquiry of those individuals immediately responsible for obtaining accurate, and complete. I am aware that there are significant penalties for fine or imprisonment.
Company Official Title Designated Agent	Eliza
Subscribed and sworn before the this day	y of March , 20 6 8
8 80 8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	CIAL SE/L Notary Public RY PUBLIC WEST VIRGINIA Y R. BARTON









MX	mo clare
Operator:	HALL DRILLING, LLC
API:	3305066
WELL No:	STARKEY 1.
Reviewed by:	1 January Date: 3-27-08
Due Date:	
	CHECKLIST FOR FILING A PERMIT
	New Well
	WW-2B Jeek 1
	Inspector signature on WW-2B
	WW-2A (Notarized)
	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
X	Surface Owner Waiver
	Coal Owner / Lessee /Operator Waiver
#	WW-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
7	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
\square	WW-9 (Page 1 & 2) (Notarized)
A	Inspector Signature on WW-9
1	Reclamation plan
1	Topographic Map of location of well
<u>, – , – , – , – , – , – , – , – , – , –</u>	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
	Company is Registered with the SOS
$\bar{\phi}$	Worker's Compensation / Unemployment Insurance account is OK
	\$650.00 check (\$550.00 if no pit)

WW-2A Coal Waiver

COAL OPERATOR, OWNER, OR LESSEE WAIVER

County Operator	Harrison Hall Drilling, LLC	Operator's Well Number	Starkey No. 1
		COAL OPERATOR, OWNE	
be filed w	objection you wish to make	Or are required to make h	W2-A. You are hereby notified by Code 22-6-15, 16 or 17, must en (15) days after the receipt of
		WAIVER	
area of we	on has examined this propo ell location, the well location on to the work proposed to with all applicable require	sed well location. If a mir has been added to the m be done at this location	ee/ of the coal under this ne map exists which covers the ine map. The undersigned has provided, the well operator has inia Code and the governing
FOR EXECU	TION BY A NATURAL PERSON Starkey Date Signature 3-18	FOR EXEC Company Name By	CUTION BY A CORPORATION, ETC.
Martha	S. Starley 3-18	2-08 Its	Date
		Signatur	Date
		•	

Elivior Leader Service Collins

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County

Harrison

Operator

Hall Drilling, LLC

Operator well number

Starkey No. 1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

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> NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT. WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas **Department of Environmental Protection** 601 57th St. SE Charleston, Wv 25304 (304) 926-0450

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The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

1) The proposed well work will constitute a hazard to the safety of persons.

 2) The soil erosion and sediment control plan is not adoque.
 3) Damage would occur to publicly owned lands or resources; The soil erosion and sediment control plan is not adequate or effective;

The proposed well work fails to protect fresh water sources or supplies;

5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

List of Water Testing Laboratories. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

FOR EXECUTION BY A NATURAL PERS	SON	FOR EXECUTION BY A	CORPORATION, ETC.
Thomas W. Starkey	Date 3~18-08	Company Name	· · · · · · · · · · · · · · · · · · ·
Signature		Ву	
Marcha S. Starkey	3-18-08	its	Date
	0 70 55	Signature	Date



Trust is our greatest resource:

March 21, 2008

WV DEP Office of Oil and Gas Attn: Laura Atkins 601 57th Street Charleston, WV 25304

Dear Laura,

We are sending you the enclosed documentation required for permitting the following well location:

* Starkey No. 1

Also enclosed is check no. 012773 in the amount of \$650.00 for the permit fee. If you should have any questions or need anything further please let us know at your earliest convenience.

Sincerely,

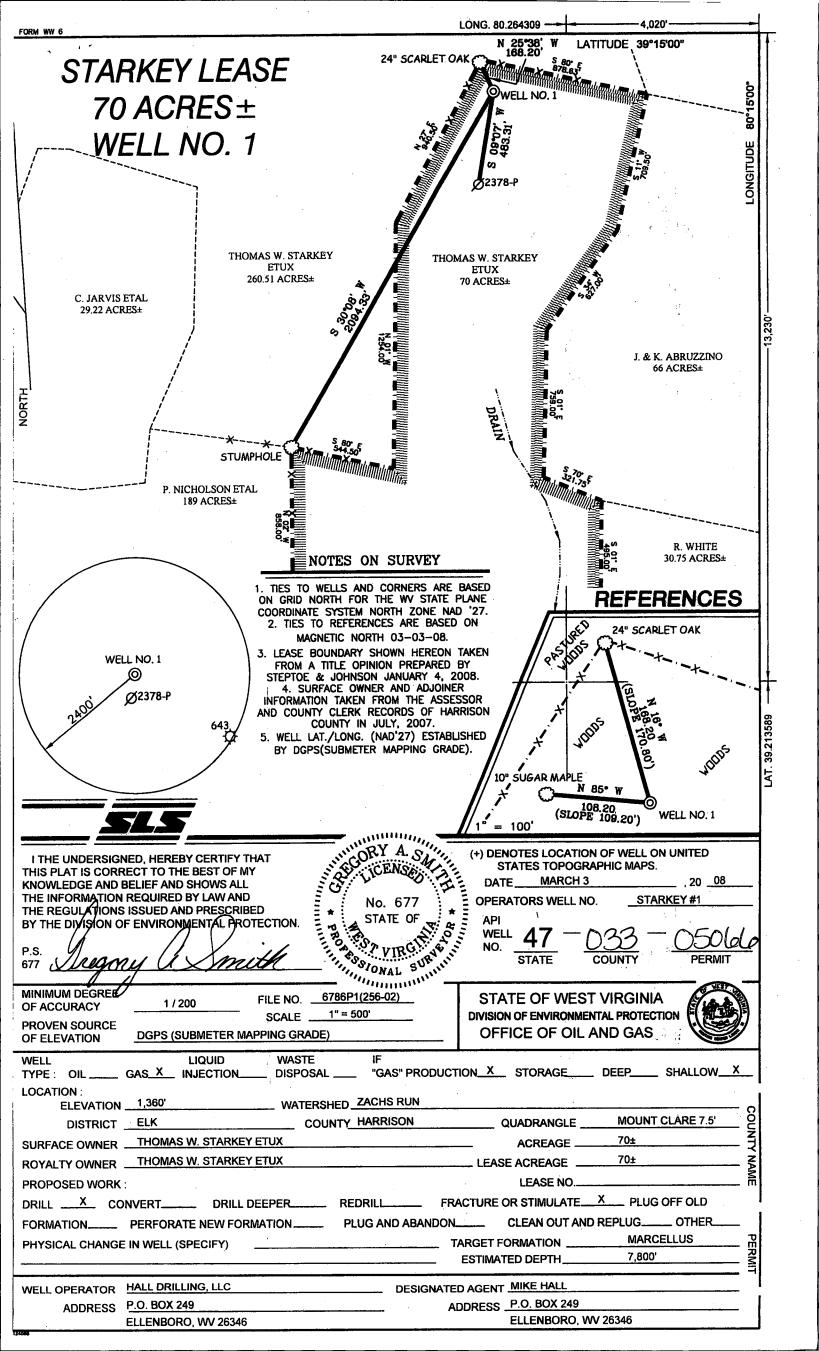
Annalisa Dobbins

Administrative Assistant

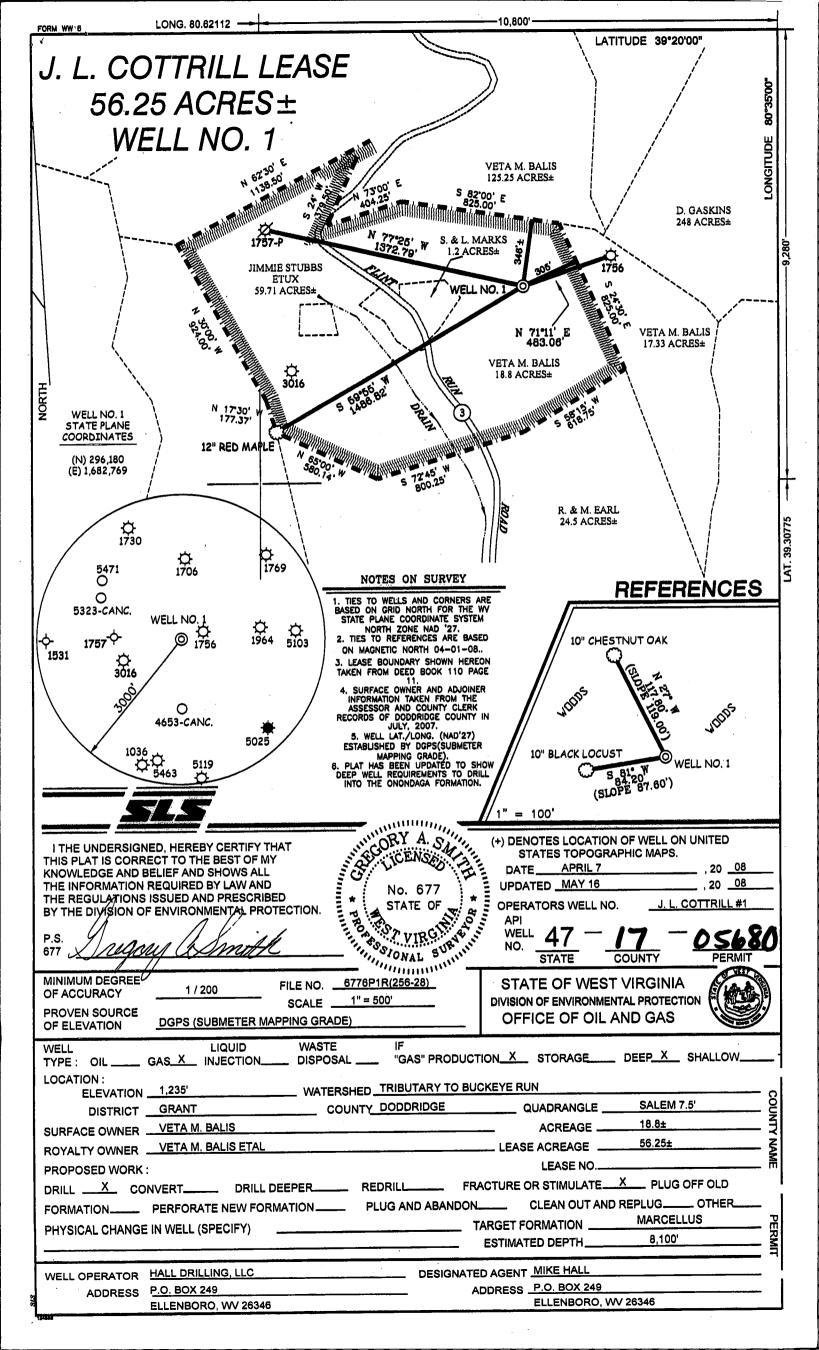
Enclosures: Well package for Starkey No. 1

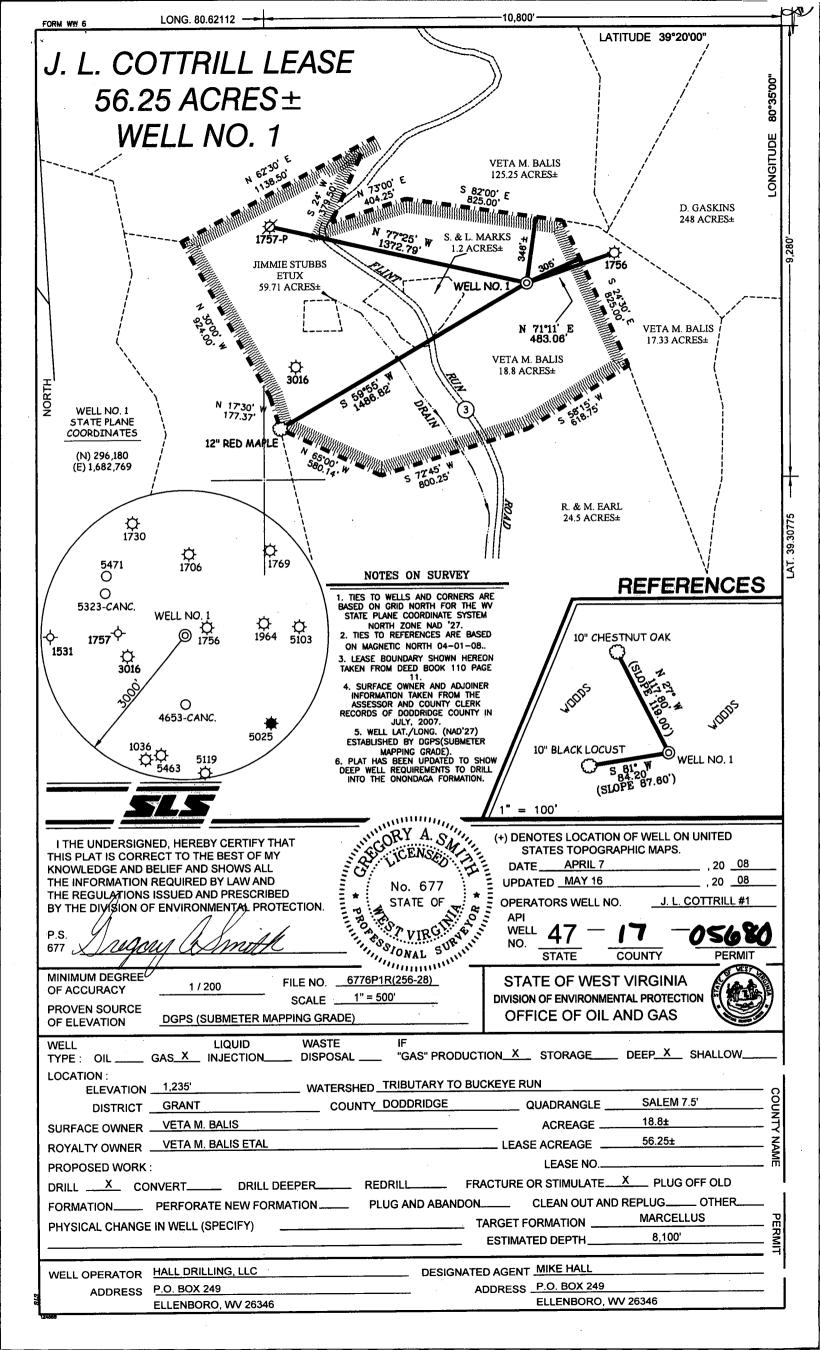
Check No. 012773 - \$650.00

Environmental Frotection



Form: WW - 2	2B					17-056	(n)		
DED.				WEST VIRG					
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION									
1)Well Operat	tor Hal	l Drilling	шс		Doddridge				
ijwen Opera	IOI <u>Nai</u>	ir Dininig,	, LLO	Operato			em 7.5' rangle		
				ID	•		J		
2) Operators	2) Operators Well Number: <u>J.L. Cottrill No. 1</u> 3) Elevation: <u>1235'</u>								
4) Well Type:	(a) Oil	or G	as <u>X</u>						
(b) If Gas		uction_X_/	_	d Storage	<u> </u>			
		Deeb	<u> </u>	Shallow					
5) Proposed 1	arget Fo	ormation((s): <u>Marcellus</u>	<u>. </u>					
6) Proposed T									
7) Approximate 8) Approximate						·			
9) Approximat							 		
10) Does land					? No				
11) Describe p	ropose	d well wo	rk <u>To Drill</u>	and Stimula	te a New Wel	1			
		 							
12) TYPE S	PECIFIC	<u>CA</u> CATIONS	ASING AND TU		RAM INTERVAL	S CEMENT			
	<u>Size</u>	<u>Grade</u>	Weight per ft	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.	7		
Conductor	-					O.			
Fresh Water	95/8		2.#	†	1	1-	7		
Coal	778	<u>.</u>	22	250	250	CTS			
Intermediate	7"			20			·		
	4 1/2"		16 [±]	2900'	1900'	By Rule 35 CSR	-		
Production			70.5	81001	81001	4-11.1			
Tubing									
Liners									
	nd				<u></u>				
	Sizes Depths Set Sizes Depths Set Depths Set								
	10		49 V C	107/65	2	JUN 02 2008	7## Woon		
JUN 02 2808 WV Department of Environmental Protection									
£-4:7	100				EIIV	ROUTION			







west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax

Joe Manchin III, Governor Randy C. Huffman, Cabinet Secretary www.wvdep.org

May 28, 2008

WELL WORK PERMIT

New Well

This permit, API Well Number: 47-1705680, issued to HALL DRILLING, LLC, is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, well operators report of well work, is to be submitted to this office within 90 days of completion of drilling, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: J.L. COTTRILL 1

Farm Name: BALIS, VETA M.

API Well Number: 47-1705680

Permit Type: New Well Date Issued: 05/28/2008

Promoting a healthy environment.

	1	
١	١	

Form: WW - 2B

17-05680

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION

				
		17	3	596
1)Well Operator Hall Drilling, LLC		Doddridge	Grant	Salem 7.5'
	Operator	County	District	Quadrangle
	ID.			
2) Operators Well Number:J.L. Cottrill No. 1	3)	Elevation	on: <u>12</u>	35'
4) Well Type: (a) Oil or GasX				
(b) If Gas: Production X / Unde	eraround S	itorage		
Deep / Shall		X	-	
•				
5) Proposed Target Formation(s): Marcellus				
6) Proposed Total Depth: 7800 Feet				
7) Approximate fresh water strata depths: 75'				
8) Approximate salt water depths: None				
9) Approximate coal seam depths: None				
10) Does land contain coal seams tributary to act	tive mine?	_No		
44) Daniella anno and and the state of the st			•	
11) Describe proposed well work To Drill and	Stimulate	a New Well		

12) <u>CASING AND TUBING PROGRAM</u>

TYPE S	PECIFIC	ATIONS		FOOTAGE	INTERVALS	CEMENT
	Size	<u>Grade</u>	Weight per	For Drilling	<u>Left in</u> <u>Well</u>	Fill -up (Cu. Ft.)
Conductor	<u>.</u>				, '	Dia
Fresh Water	95/8		22#	250	250	CTS
Coal						
Intermediate	7"		16 [±]	2900'	1900'	CTS
Production	4 1/2"		10.5 th	7800'	7775'	By Rule 35 CSR 4-11.1
Tubing						
Liners						

Packers:

Kind

Sizes

Depths Set

G1C 5/07/08

RECEIVED Office of Oil & Gas MAY 1 4 2008

MAY 1 4 2008

WV Department of
Environmental Protection

(NC# 1304 8

WW2-A Revised 8/02 1) Date:

April 8, 2008

2) Operator's Well Number: J.L. Cottrill No. 1
3) API Well No.: 47 - 0568

State

County

STATE OF WEST VIRGINIA - BUREAU OF ENVIRONMENT DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

4) Surface C	wner(s) to be served:	5) (a) Coal Operator
(a) Name	Veta M. Balis Ŵ	Name
Address	HC 78 Box 20	Address
	Selbyville, WV 26236	
(b) Name		(b) Coal Owner(s) with Declaration
Address		Name Name
	- Average	Address
(c) Name		Name
Address		Address
Addioos		
6) Inspector	Richard S. Campbell	(c) Coal Lessee with Declaration
Address	601 57 th Street, SE	Name
	Charleston, WV 25304	Address
Telephone	304-926-0499	
	TO THE PERSONS NAM	MED ABOVE TAKE NOTICE THAT:
Included is		uing contract or contracts by which I hold the right to extract oil
and gas		
<u>OR</u>		ter 22, Article 6, Section 8(d) of the Code of West Virginia (see
	the information required by Chapt	ter 22, Article 6, Section 8(d) of the Code of West Virginia (see
page 2)	that as required under Chanter 22-	6 of the West Virginia Code I have served copies of this notice
and application	a. a location plat, and accompanying	g documents pages 1 through on the above named parties
by:	,	
_	Personal Service (Affidavit att	· · · · · · · · · · · · · · · · · · ·
	Certified Mail (Postmarked po	
	Publication (Notice of Publica	
	ead and understand Chapter 22-6 a Inder this application.	and 35 CSR 4, and I agree to the terms and conditions of any
		e personally examined and am familiar with the information
submitted on	this application form and all attac	chments, and that based on my inquiry of those individuals
•	esponsible for obtaining the infor	mation, I believe that the information is true, accurate and
complete.		
I am aw fine and impris		ties for submitting false information, including the possibility of
nne and impris	Well Operator	Hall Drilling, LLC
	By:	Mike Hall
	lts:	Designated Agent RECEIVED
	Address	P.O. Box 249 Office of Oil & Gas
		Ellenboro, WV 26346
O h. a. a. !!!	Telephone	
	d sworn before me	West viscinia. West viscinia. West viscinia. West viscinia.
this	/ Yeard	Notary Public antal Protection
My Commissio	n Expires 4/18/2011	Notary Publismental Protection Environmental Protection
	• •	

Royalty

Book/Page

Form WW-2A-1 (8/02)

Grantor, lessor, etc.

Operator's Well Number J.L. Cottrill No. 1

INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantee, lessee, etc.

Veta M. Balis, et al	Ten Mile Oil a Des Threatene Energy Partners	1/8th	
Ten Mile Och a Has	Threatene (relay Partuels)		MB 330/464

Well Operator:

By:

Its:

Hall Drilling LLC

Mike Hall /

Designated Agent

PECEIVED Office of Oil & Gas MAY 1 4 2008 Wy Department of Environmental Protection

Well No.	J.L. Cottrill No. 1	
_	17-056	80

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

If no water well or spring is located within 1000 feet, the Chief may require the operator to sample and analyze water from a water well or spring within 2000 feet of the proposed well site.

Be advised, you have the right to sample and analyze any water supply at your own expense.

The laboratory used by the operator to analyze the samples will be approved by the Chief. The operator named below has decided to use the following laboratory to analyze the water samples:

<u>X</u>	Contractor Name	Smith Land Surveying, Inc. – Environmental Division
	Well operator's pr laboratory	ivate
	Well Operator	Hall Drilling, LLC
Address		P.O. Box 249
		Ellenboro, WV 26346
	Telephone	304-869-3405

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site please indicate such.

J.L. Cottrill No. 1

NOTE: There appears to be 3± potable water sources within 1,000', therefore tests will be offered and samples taken as required.

WV Department of Environmental Protection

RECEIVED





(304) 462-5634 • FAX 462-5656

P.O. BOX 150, GLENVILLE, WV 2635

Hall Drillilng LLC.

LEASE NAME AND NUMBER:

OPERATOR:

WELL INFORMATION AND POTENTIAL WATER WELL SAMPLE DATA SHEET

J.L. Cottrill #1

COM	<u>MENTS</u>
The initial mapping review of the area surround listed surface owner(s) that were potentially util Consumption or other purposes within 1000' of landowners have been notified of the opportunit necessary. *Please note that the following information is subject to the consumption of the consumption of the subject to the consumption of t	lizing groundwater (potable) for Human the proposed well site. The following ty to request a water sample should it be
INDIVIDUAL CONT	ACTED OR NOTIFIED
Owner/Occupant: Syonia & Leo Marks	
Address: Rt. 2 Box 75 Salem WV. 26426	
Comments:	
Owner/Occupant: Jimmie Stubbs	
Address: RtT. 2 Box 73 Salem, WV. 26426	Letter/Notice Date:
Comments:	
Owner/Occupant: Veta Balis	
Address: HC 78 Box 20 Selbyville WV 26236	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Address:	Letter/Notice Date:
Comments:	
Owner/Occupant:	
Address:	Letter/Notice Date:
Comments:	

6776.potential.Hall.J.L.Cottrill#1

Office of Oil & Gas

MAY 1 4 2008

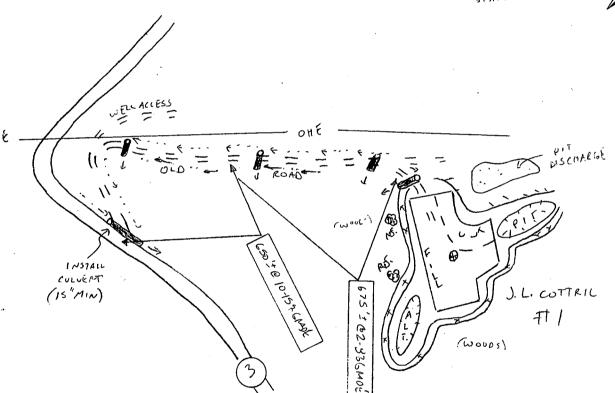
WV Department of

Conmental Protection

Form WW-9

J. L. Cottrill Lease Well No. 1





ALL ROADS SHOWN HEREON ARE EXISTING UNLESS OTHERWISE NOTED AND SHALL BE MAINTAINED IN ACCORDANCE WITH WY D.E.P. OIL AND GAS BMP MANUAL ENTRANCES AT COUNTY/STATE ROADS SHALL BE MAINTAINED IN ACCORDANCE WITH

SEDIMENT BASINS(TRAPS) AND APPROPRIATE EROSION CONTROL BARRIERS ARE TO BE CONSTRUCTED AT ALL CULVERT AND CROSS DRAIN INLETS AND OUTLETS AS REQUIRED IN THE WY D.E.P. OIL AND GAS BMP MANUAL. FIELD CONDITIONS(ROCK OUTCROPS AND BEDROCK) MAY PROHIBIT INLET TRAPS BEING INSTALLED. WHEN THESE CONDITIONS EXIST ADDITIONAL EROSION CONTROL MEASURES SHALL BE EVALUATED AND UTILIZED

EARTHWORK CONTRACTORS ARE RESPONSIBLE FOR NOTIFICATION TO THE OPERATOR AND INSPECTOR PRIOR TO ANY DEVIATION FROM THIS PLAN.

TEMPORARY SEED & MULCH ALL SLOPES AFTER CONSTRUCTION OF LOCATION.

CUT & STACK ALL MARKETABLE TIMBER.

STACK BRUSH BELOW LOCATION FOR SEDIMENT CONTROL.

OTHERWISE)

RECEIVED Office of Oil & Gas

MAY 1 4 2008

WV Department of Environmental Protection

SMITH LAND SURVEYING, INC.

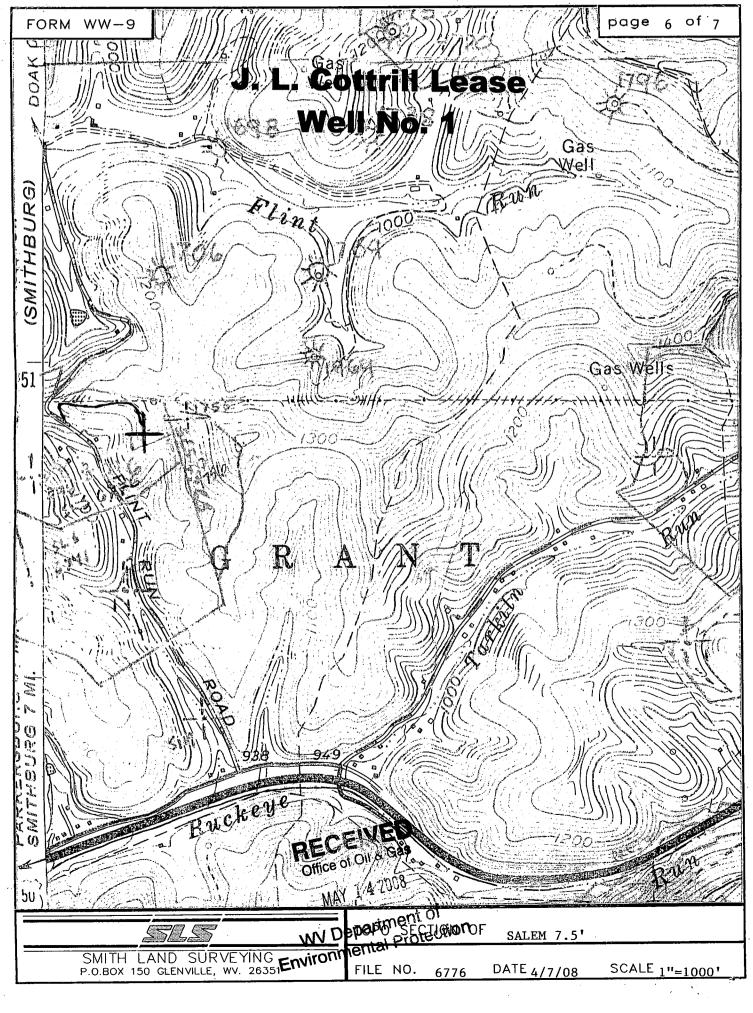
Phone (304) 462-5656 or 462-5634

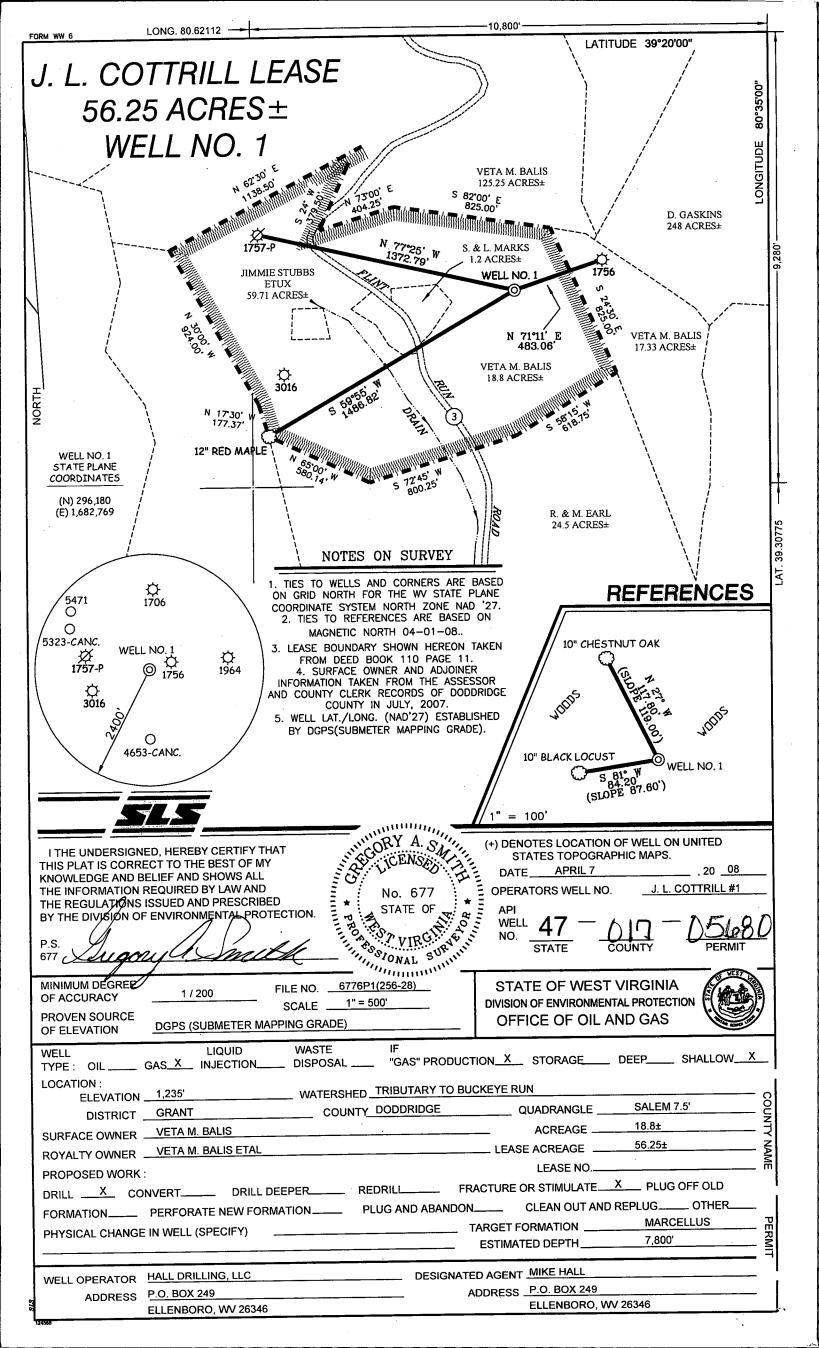
P.O. BOX 150, GLENVILLE, WV 26351

C.PM DRAWN BY

DATE 4/7/08

FILE NO. 6776





FORM WW-9 Rev. 02/03

		4		7
API Number 47	D		0=68	\mathcal{O}
Operator's Well No.	<u>J.</u>	L. Co	<u>ttrill No.</u>	1

STATE OF WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS CONSTRUCTION AND RECLAMATION PLAN AND SITE REGISTRATION APPLICATION FORM GENERAL PERMIT FOR OIL AND GAS PIT WASTE DISCHARGE

Operator Name <u>Hall l</u>	Orilling, LLC	·		OP	Code	,
Watershed <u>Tributar</u>	y to Buckeye Run		Qı	uadrangle	Salem 7.5'	
Elevation <u>1235'</u>	·	_ County _	Doddridge		District Grant	· · · · · · · · · · · · · · · · · · ·
Description of anticipat	ed Pit Waste:I	Orill Water,	Frac Blow Back &	Various For	mation Cuttings	
Will a synthetic liner be	used in the pit?	Yes.				
·		,				
Proposed Disposal Met X	Land Application	on				191.25
	_ Underground In Reuse (at API)		C Permit Number_		•	
	Off Site Dispose	al (Supply f	orm WW-9 for disp			
<u> </u>	_ ` •			 		
Proposed Work For Wi X	nich Pit Will Be Use Drilling	ed:	X Swabbing			•
^	Workover		Plugging	•		
·	_ Other (Explain			- , -,		
December 31, 1999, by provisions of the permi or regulation can lead to I certify under	the Office of Oil t are enforceable by enforcement action penalty of law the	and Gas of law. Viola n. hat I have p	the West Virginia ations of any term of personally examine	Division of low condition of the conditi	RAL WATER POLLUTE POINT PROTECTION FOR THE PROPERTY OF THE PRO	on. I understand the donor other applicable nation submitted or
December 31, 1999, by provisions of the permitor regulation can lead to I certify under application form and all the information, I believed by the companion of the province of the permitting false information.	the Office of Oil are enforceable by the enforcement action penalty of law the lattachments there eve that the information, including the	and Gas of law. Violan. Inat I have put and that, lation is true	the West Virginia ations of any term of personally examine based on my inquire, accurate, and co	Division of lor condition of and am fry of those in omplete. I a	Environmental Protection of the general permit an	on. I understand the doron other applicable mation submitted or responsible for obta
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Jollen	· ·
Operator:	HALL DRILLING, LLC
API:	1705680
WELL No:	J.L. COTTRILL 1
Reviewed by:	<u>Ja</u> Date: <u>5-23-08</u>
Due Date:	W
	CHECKLIST FOR FILING A PERMIT
	New Well
	WW-2B
$\square \square /$	Inspector signature on WW-2B
	WW-2A (Notarized)
	Certified Mail Receipts, Waivers, or Affidavits of Personal Service
$\triangleright \square$:	Surface Owner Waiver
	Oal Owner / Lessee /Operator Waiver
	W-2A-1 (Signed) Showing Book/Page Number and Royalty Percentage
	WW-2B-1 (Names, addresses, and spot on topographical map listed as water testing)
	WW-9 (Page 1 & 2) (Notarized)
	Inspector Signature on WW-9
	Reclamation plan
	Popographic Map of location of well
	Mylar Plat (Signed and Sealed) (Surface owner on plat matches WW-2A)
	Bond
	6 mpany is Registered with the SOS
	Worker's Compensation / Unemployment Insurance account is OK
\square	\$650.00 check (\$550.00 if no pit)

WW-2A Surface Waiver

SURFACE OWNER WAIVER

County

Doddridge

Operator

Hall Drilling, LLC

Operator well number

J.L. Cottrill No. 1

INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas
Department of Environmental Protection
601 57th St. SE
Charleston, Wv 25304
(304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure adequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;

3) Damage would occur to publicly owned lands or resources;

- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories.</u> The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

VOLUNTARY STATEMENT OF NO OBJECTION

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through including a work order on Form WW2-B, a survey plat, and a soil and erosion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

POPATION, ETC.
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1 2008 Date
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